| .ocal | Unit | of Gov | emment Type | | | Local Unit Nam | | | County | | | | |
|-------------|----------------|----------------|--|--|--|-------------------|---------------------------------|------------------------------|--|--|--|--|--|
| ⊒с | ount | у | ⊠City | □Village | □Other | City of Wyo | oming, Michigan | | Kent | | | | |
| | l Year | | - | Opinion Date | | | Date Audit Report Subm | itted to State | | | | | |
| 6/3 | 0/06 | | | 11/21/06 | | | 12/18/06 | _ | _ | | | | |
| le at | ffirm | that | | | | | | | | | | | |
| | | | d public accountants | | | | | | | | | | |
| | | | rm the following mat _etter (report of com | | | | sed in the financial state | ements, inclu | uding the notes, or in the | | | | |
| | YES | 9 | Check each applic | able box bel | ow. (See in | nstructions for | further detail.) | | | | | | |
| | X | | reporting entity note | es to the finan | ent units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the sto To the financial statements as necessary. | | | | | | | | |
| | × | | There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures. | | | | | | | | | | |
| | X | | The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury. | | | | | | | | | | |
| | × | | The local unit has adopted a budget for all required funds. | | | | | | | | | | |
| | × | | A public hearing on | the budget w | as held in a | accordance wi | ith State statute. | | | | | | |
| | × | | The second secon | | | | | | | | | | |
| | × | | The local unit has r | not been deline | quent in dis | stributing tax re | evenues that were colle | cted for and | ther taxing unit. | | | | |
| | × | | The local unit only | he local unit only holds deposits/investments that comply with statutory requirements. | | | | | | | | | |
| | × | | | The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the <i>Bulletin for</i> Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin). | | | | | | | | | |
| 0. | × | | that have not been | re are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audi have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that been communicated, please submit a separate report under separate cover. | | | | | | | | | |
| ١. | × | | The local unit is fre | e of repeated | comments | from previous | years. | | | | | | |
| | × | | The audit opinion is | UNQUALIFIE | ĒD. | | | | | | | | |
| 3. | X | | The local unit has daccepted accounting | | | or GASB 34 as | s modified by MCGAA S | Statement #7 | and other generally | | | | |
| 4. | × | | The board or counc | cil approves al | l invoices p | rior to payme | nt as required by charte | er or statute. | | | | | |
| 5. | X | | To our knowledge, | bank reconcili | ations that | were reviewe | d were performed timel | y. | | | | | |
| rclu esc | ided cripti | in tl on(s) | of government (authis or any other aud of the authority and gned, certify that this | dit report, nor I/or commissio | do they on. | btain a stand | l-alone audit, please e | oundaries of nclose the r | the audited entity and is n name(s), address(es), and | | | | |
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| he | lette | er of | Comments and Reco | ommendations | | | | _ | | | | | |
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| | | | Accountant (Firm Name) | _ | | | Telephone Number | | | | | | |
| | | | nan, LLP | | | | 616-774-7000 | 04 | | | | | |
| | t Add Mor | | Ave NW Suite 80 | 20 | | | City Grand Rapids | State MI | 49503 | | | | |
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COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED

June 30, 2006

Carol S. Sheets Mayor

Spencer Bertrum
Councilmember-at-Large

William A. VerHulst
Mayor Pro-Tem
1st Ward Councilmember

Sam Bolt
Councilmember-at-Large

Richard K. Pastoor 2nd Ward Councilmember

Kent Vanderwood Councilmember-at-Large Roger J. Haynes
3rd Ward Councilmember

Curtis L. Holt City Manager

Prepared By: Finance Department

Timothy H. Smith, CPA Finance Director

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Accounting/Finance Department

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Web: www.ci.wyoming.mi.us



MAYOR Carol S. Sheets

AT-LARGE COUNCILMEMBER Spencer Bertram

AT-LARGE COUNCILMEMBER Sam Bolt

AT-LARGE COUNCILMEMBER Kent Vanderwood

1ST WARD COUNCILMEMBER William A. VerHulst

2ND WARD COUNCILMEMBER Richard K. Pastoor

3RD WARD COUNCILMEMBER Roger J. Haynes

CITY MANAGER Curtis L. Holt December 7, 2006

To the Honorable Mayor, Members of City Council, and the Citizens of the City of Wyoming, Michigan

The City Charter and the Michigan Uniform Budgeting and Accounting Act require the financial statements be examined by a firm of independent certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Wyoming (the City) for the fiscal year ended June 30, 2006.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and fairness of presentation of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to (1) safeguard the City's assets from loss, theft or misuse and (2) compile reliable financial information for the preparation of the City of Wyoming's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Wyoming's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Wyoming's financial statements have been audited by BDO Seidman, LLP, an independent firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Wyoming are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Wyoming's financial statements for the fiscal year ended June 30, 2006, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Wyoming was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair

presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and auditors' report on internal controls and compliance with applicable laws and regulations is published in a separate document. The financial activity related to the single audit requirements, such as Nutrition Programs, Senior Transportation Program, and the Community Development Block Grant is included in this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Wyoming's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Wyoming is located in Kent County in the western part of Michigan's lower peninsula, encompasses an area of approximately 25 square miles and, with a 2000 census population of 69,368, is the sixteenth largest City in Michigan. The City is governed by an elected City Council consisting of 3 members elected at large, 3 members elected by district and a mayor elected at large. The City Manager, appointed by the City Council, is responsible for the day-to-day operations of the City.

The City provides a wide range of services to City residents. Water and sewer services are sold retail to City residents and business and wholesale to various surrounding governmental units resulting in total water consumption of 13.3 billion gallons during the fiscal year.

The annual budget serves as the foundation of the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the Manager/ Finance Director. These requests form the basis for the development of a proposed budget. The Manager/Finance Director will present to the Council a recommended budget in May at which time a public hearing date will be set. A presentation will be made at a public hearing and the budget will be adopted at the subsequent Council meeting. The budget is appropriated at the departmental level. The budget is prepared at the fund, department, activity, and line item level. Department directors may request transfers within fund appropriations under their administrative control. Transfers of appropriations between departments or funds require approval of the Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The General Fund can be found on page 64 as part of the required supplementary information for the governmental funds. For governmental funds other than the general fund, this comparison can be found on pages 68 to 71 and pages 84 to 98.

Blended Component Unit

The City has one blended component unit, the Building Authority, a separate legal entity that uses the proceeds of its tax-exempt bonds to finance the construction of general fixed assets for the City. The bonds are secured by a lease agreement with the City and will be retired through lease payments from the City.

Discretely Presented Component Units

The City has five legally separate component units. These units are discretely presented as the governing bodies of the component units are not substantially the same as that of the City.

- The Economic Development Corporation (EDC) provides advice to City officials regarding economic development activity.
- The Brownfield Redevelopment Authority is responsible for providing incentive for the redevelopment of contaminated property.
- The Wyoming Downtown Development Authority is responsible for correcting blight in their area and enhancing economic growth.
- The Wyoming Housing Commission provides housing assistance to low and moderate income families.
- The District Court of Wyoming accounts for the collection and payment to the State of Michigan, Kent County, and the City of Wyoming, of fines and fees collected on their behalf. Bond and other trust money held by the Court are also accounted for. Fines and fees collected that remain at the local level, along with actual Court operations, are accounted for in the City's General Fund.

Financial Condition Factors

Local Economy

The manufacturing sector is strong in furniture, automotive and food processing. The service area, including financial, educational, medical and retailing, provides a positive impact on the economy. Business and industrial growth within the City of Wyoming continued at a slow pace during the fiscal year. With the completion of the South Beltline freeway in the fall of 2004, industrial and commercial growth is occurring in the southern portion of the City. Residential growth also continues in the southwest sector of the City and will be further enhanced by the addition of a hospital and medical complex near the South Beltline freeway.

The City continues to actively improve infrastructure that supports its citizens. The City has invested in developing new software that will be used to track the condition of streets, sidewalks and the sewer and water systems. The wastewater facility is in the process of being expanded and the plans have been developed to expand the water facility to meet business, industrial and residential growth within its service area.

The City continues to face challenges of providing services to its citizens with shrinking revenue sources. The State of Michigan continues to face revenue shortfalls that are passed on to local units through decreases in statutory revenue sharing. Property tax revenue growth has been held in check through various state-wide voter approved initiatives occurring in the '80s and '90s. Local voters have voted to not increase property tax rates. As a result of these factors and growth in various costs incurred by the City, the City has taken steps to reduce its labor force and consequently services provided to its citizens to ensure that future expenditures do not exceed anticipated revenues.

Cash Management

Available cash during the fiscal year, excluding pension trust funds, was primarily invested in certificates of deposit and instruments of the U.S. Treasury and Governmental Agencies. As of June 30, 2006, the book value of these investments was \$96,452,896. The average yield of funds invested by City staff for the year ended June 30, 2006 was 5.56 percent compared to

3.18 percent the prior year. While interest rates began to rise in the latter part of the fiscal year, the City continued to experience a drop in earnings reflecting the flat yield curve on longer term investments.

Risk Management

The risk management activities of the City are primarily the responsibility of Finance and Human Resources Departments. However, each department director has a responsibility for managing the activities of their department in such as way as to preserve the human, physical, natural, and financial resources of the City.

The City has developed an internal financing mechanism to accrue its incurred and incurred-but-not-reported claims not covered by insurance. A Self-Insurance Fund has been established to segregate risk management activities and process the payment claims. An annual allocation of costs including self-funded loss payment, insurance premiums and administrative costs are charged back to all departments using the appropriate statistic.

The City has been operating successfully for over sixteen years in providing general liability, property insurance, vehicle insurance, and workers' compensation insurance programs through the Insurance Fund. The City has purchased liability coverage for claims in excess of \$500,000 from a private carrier. Beginning in fiscal year 1997-1998, the City also began to self-fund its health insurance plan with a current excess coverage of \$150,000 per claim. The Insurance Fund health insurance plan experienced an operating gain of \$2,731,686, which includes investment earnings. Like the general business sector, the City incurred higher than inflationary expenditures for health care. During the past year, the City was very fortunate and experienced an 11.7% decrease in claims costs.

Settlement of claims greater than \$10,000 requires the prior approval of the City Council. Recommendations are made to them from its insurers, claim administrator and legal counsel. The City may settle large claims by making a lump payment or using a structured payment.

Pensions and Post-Retirement Benefits

The City sponsors a single-employer defined benefit pension plan for the majority of its employees and a defined contribution plan for new hires in various bargaining units. Each year an independent actuary calculates the percentage of payroll that the City must contribute to the pension plan to ensure that the fund will meet its full obligation to plan participants. As a matter of policy, the City fully funds each year's contribution as determined by the actuary. As of the June 30, 2006 actuarial report the City's accrued liabilities exceeded its accrued assets by \$1,562,000. The employer normal cost for 2006 was \$2,942,178; however, due to over-funding, the computed employer contribution was \$2,048,261. Contributions to the pension plan were exceeded by benefits paid out during 2005-2006, the eighth time this has happened. Benefit payments have increased as the number of retirees has also increased.

During the current fiscal year, new employees hired in three of the six bargaining units were covered by a defined contribution plan. Employer contributions of 8% of base pay to the plan for 2006 were \$393.

The City also provides post-retirement health care benefits for retirees and their dependents. As of the end of the current fiscal year, there were 298 retired employees receiving these benefits, which are financed based on actuarial computation. GAAP does not require

governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits at this time. However, as required by Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the City will have to provide information relative to funding progress of post-retirement health care benefits for retirees and their dependents. Based upon the June 30, 2005 actuarial report, the unfunded actuarial accrued liability is in excess of \$57 million.

Additional information on the City's pension arrangements and post-employment benefits can be found in Note H in the notes to basic financial statements.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended June 30, 2005. This was the seventeenth year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We should like to express our appreciation to all the employees of the City who assisted and contributed to its preparation.

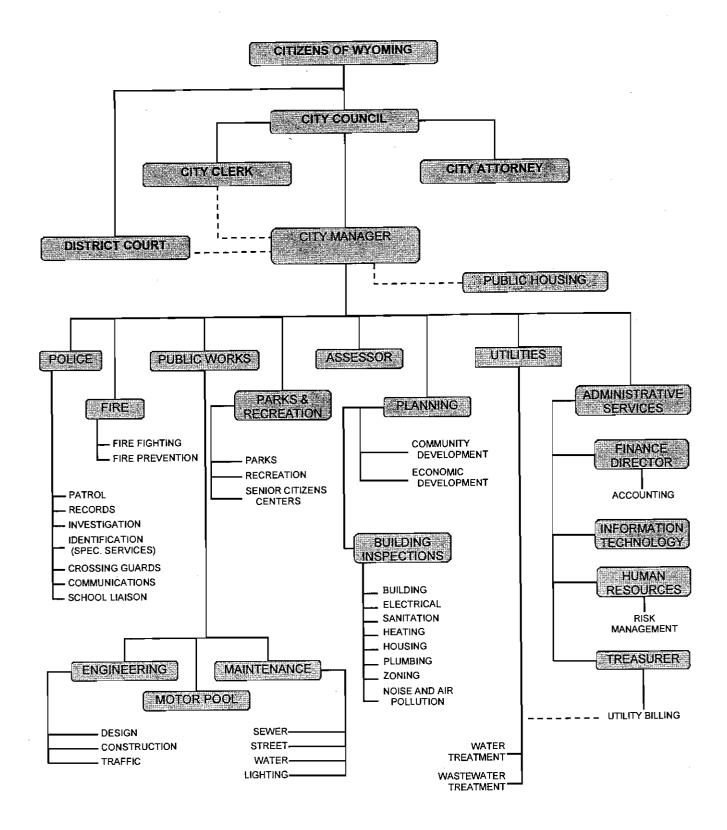
Respectfully submitted,

Curtis L. Holt City Manager

Timothy H. Smith, CPA Finance Director

CITY OF WYOMING, MICHIGAN

TABLE OF ORGANIZATION





99 Monroe Avenue NW, Suite 800 Grand Rapids, Michigan 49503-2654 Telephone: (616) 774-7000 Fax: (616) 776-3680

Independent Auditors' Report

Honorable Mayor and Members of the City Council City of Wyoming Wyoming, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Wyoming, Michigan (the City) as of and for the year ended June 30, 2006 (March 31, 2006 for the Wyoming Housing Commission), which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the City. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Wyoming Housing Commission which represents 90% of the total assets of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us. Our opinion expressed herein, insofar as it relates to the amounts included for the Wyoming Housing Commission, is based solely upon the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information at June 30, 2006 (March 31, 2006 for the Wyoming Housing Commission), and the respective changes in financial position and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated November 21, 2006, on our consideration of the City of Wyoming's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management's Discussion and Analysis and the budgeting comparison information on pages 64-71 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the

methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other supplementary information and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City of Wyoming. The combining and individual nonmajor fund financial statements and other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Grand Rapids, Michigan November 21, 2006

BDO Seilman, LLP

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Wyoming's (the "City") discussion and analysis is designed to (a) assist the reader in focusing on the significant financial issues, (b) provide an overview of the financial activities for the fiscal year ended June 30, 2006, (c) identify changes in the City's financial position (its ability to address the next year and subsequent year challenges), (d) identify any material deviations from the approved budget, and (e) identify individual fund issues or concerns. Since the management's discussion and analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and known facts, readers are encouraged to consider the information presented here in conjunction with the transmittal letter at the front of this report and with the City's financial statements, which follow this section.

Financial Highlights

- Assets of the City exceeded its liabilities at the end of the fiscal year by \$244,287,503 (net assets), an increase of \$12,606,082 from the previous year. Component units reported net assets of \$5,335,203, an increase of \$610,822 from the previous year.
- Of the \$244 million reported in net assets, \$61,680,280 may be used to meet the ongoing obligations to citizens and creditors (unrestricted net assets) of the respective fund where the funds were earned.
- At the end of the fiscal year, the City's governmental funds reported combined ending fund balance of \$22,385,141, an increase of \$4,228,070 from the previous year. Of this fund balance, approximately 98% (\$21,839,442) is available for spending at the government's discretion (unreserved fund balance) for purposes of the respective fund where the funds were earned.
- At the end of the current fiscal year, the unreserved undesignated fund balance for the General Fund was \$7,136,904 or 26% of the total General Fund expenditures.
- The enterprise funds reported net assets at June 30 of \$128,316,878, an increase of \$2,926,147 from the previous year.
- The City's total debt, excluding compensated absences and workers compensation claims, during the fiscal year increased to \$116,090,008, an increase of \$48,105,250 (or 70.8%), which represents the difference between new issues of \$53,415,000 and payments of outstanding debt of \$5,309,750.

Overview of the Financial Statements

This discussion and analysis is an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow users to address relevant questions, broaden a basis for comparison (interperiod or intergovernmental) and enhance the City's accountability. This report also contains supplementary information in addition to the basic financial statements which further explains and supports the information presented in these statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. The Statement of Net Assets and the Statement of Activities are designed to be corporate-like in that all the governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. These statements should help the reader to answer the question: Is the City, as a whole, better or worse off as a result of this year's activities? These statements include all non-fiduciary assets and liabilities using the accrual basis of accounting. The current year's revenues and expenses are recognized regardless of when cash is received or paid.

The focus of the Statement of Net Assets is designed to be similar to the bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations (total economic resources). This statement presents all of the City's assets and liabilities, with the difference between the two reported as "net assets." Over time, increases and

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

decreases in net assets may indicate whether the City's financial position is improving or deteriorating. However, in order to assess the overall health of the City, non-financial factors such as the City's property tax base and condition of the City's infrastructure may also need to be considered.

The Statement of Activities is focused on both the gross and net cost of the various activities (governmental, business-type, and component unit) which are supported by the City's general tax and other revenues. This presentation is intended to summarize and simplify the user's analysis of the cost of the various governmental services and/or the subsidy to various business-type activities and/or component units. This statement shows how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying events occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both statements report three activities:

- 1. Governmental Activities: Most of the City's basic services (i.e., police, fire, public works, parks, etc.) are reported under this category. Taxes and intergovernmental revenues generally fund these services. The City's governmental activities include legislative, judicial, general government, public safety, public works, health and welfare, and recreation and culture.
- 2. Business-Type Activities: The City charges fees to customers to help cover all or most of the cost of certain services it provides. The City operates two business-type activities that reflect private sector type operations: Water and Sewer services.
- 3. Discretely Presented Component Units: Component units are legally separate organizations over which the City (the City Council, acting as a group) can exercise influence and/or for which the City is financially accountable. The City has five component units: the Economic Development Corporation, the Brownfield Redevelopment Authority, the Wyoming Downtown Development Authority, the 62A District Court (collections remitted to other jurisdictions and trust activity), and the Wyoming Housing Commission. Financial information for these component units is presented separately from that of the primary government. The focus of the statements is clearly on the primary government; however, the presentation allows the user to address the relative relationship with the component units.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. These statements provide more detailed information about the City's most significant funds (Major Funds), not the City as a whole. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the City uses to maintain control over resources that have been segregated for specific activities or objectives. In addition to major funds, the City presents individual fund data for nonmajor funds in the supplementary information section. All of the funds of the City can be divided into three categories: governmental, proprietary, and fiduciary. Each category uses different accounting approaches.

Governmental Funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental fund statements are presented on a modified accrual basis, which focuses on the near-term sources and uses of available resources. This is the manner in which the budget is typically developed. The City establishes funds for various purposes; and the Fund Financial Statements allow the demonstration of sources and uses and/or budgetary compliance associated therewith. Governmental funds include the general fund, special revenue funds, capital project funds, and debt service funds.

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

The focus of governmental funds (current financial resources) is narrower than that of the government-wide financial statements (total economic resources). Therefore, the reader may better understand the long-term impact of the City's near-term financing decisions by comparing information presented for governmental funds with the information presented for the governmental activities in the government-wide financial statements. Both the governmental fund's Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison.

Proprietary Funds:

Proprietary funds are used to account for services provided by the City where the City charges customers (whether external or internal) for the services it provides. These funds use accrual accounting; the same method used by private sector businesses. The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water and Sewer services. Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its Motor Pool and Insurance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds:

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. While these funds represent trust responsibilities of the City, these assets are restricted in purpose and do not represent discretionary assets of the City. Therefore, these assets are not reflected in the government-wide financial statements. The City acts as a trustee or fiduciary for its employee pension plan. It is a trustee/agent for the other governmental units for which it collects tax payments. The City is responsible for ensuring that the assets reported in these funds are used for their intended purpose. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. These funds are reported using accounting.

Financial Analysis of the Government as a Whole

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the City's case, assets exceeded its liabilities at the end of the fiscal year by \$244,287,503. However, an overwhelming portion of the City's net assets (55 percent) represents its investment in capital assets (e.g., land, roads, storm sewers, water and sewer systems, buildings, and equipment) less any related debt used to acquire or construct these assets that is still outstanding. The City uses these capital assets to provide essential services to citizens; therefore, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources because the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

City of Wyoming's Net Assets

| | Governmer | ntal Activities | Business-T | ype Activities | To | otal |
|-----------------------------------|---------------|-----------------|---------------|----------------|----------------|----------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Current and other assets | \$ 47,868,804 | \$ 36,458,851 | \$ 77,936,998 | \$ 39,811,189 | \$ 125,805,802 | \$ 76,270,040 |
| Capital assets, net of | | | | | | |
| accumulated depreciation | 115,348,797 | 113,025,420 | 134,439,945 | 126,648,708 | 249,788,742 | 239,674,128 |
| Total Assets | 163,217,601 | 149,484,271 | 212,376,943 | 166,459,897 | 375,594,544 | 315,944,168 |
| Long-term liabilities outstanding | 42,583,933 | 37,676,823 | 79,792,603 | 36,831,444 | 122,376,536 | 74,508,267 |
| Other liabilities | 5,562,277 | 7,168,176 | 3,368,228 | 3,918,225 | 8,930,505 | 11,086,401 |
| Total Liabilities | 48,146,210 | 44,844,999 | 83,160,831 | 40,749,669 | 131,307,041 | 85,594,668 |
| Net Assets: | | | | | | |
| Invested in capital assets, | | | | | | |
| net of related debt | 77,998,952 | 75,348,597 | 57,129,494 | 92,150,513 | 135,128,446 | 167,499,110 |
| Restricted | 14,867,472 | 11,748,408 | 32,611,305 | 2,199,780 | 47,478,777 | 13,948,188 |
| Unrestricted | 22,204,967 | 17,542,267 | 39,475,313 | 31,359,935 | 61,680,280 | \$ 48,902,202 |
| Total Net Assets | \$115,071,391 | \$104,639,272 | \$129,216,112 | \$ 125,710,228 | \$ 244,287,503 | \$ 230,349,500 |

Except for \$47,478,777 restricted for debt service, revenue source and water system development, the City may use the remaining balance of unrestricted net assets of \$61,680,280 (25.2 percent) to meet its ongoing obligations to citizens and creditors; however, the use of the unrestricted net assets is limited by nature of the fund generating the unrestricted fund balance.

Further, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, and for its separate governmental and business-type activities.

City of Wyoming's Change in Net Assets

| | Governmei | ntal / | Activities | Business-Ty | ype Activities Tot | | | | otal | |
|-----------------------|---------------|--------|------------|------------------|--------------------|------------|----|------------|------|------------|
| | 2006 | | 2005 | 2006 | | 2005 | | 2006 | | 2005 |
| Revenues: | • | | | | | | | | | |
| Program Revenues: | | | | | | | | | | |
| Charges for services | \$ 15,711,635 | \$ | 9,410,224 | \$ 28,136,726 | \$ | 25,962,213 | \$ | 43,848,361 | \$ | 35,372,437 |
| Operating grants | 6,803,780 | | 7,053,212 | - | | - | | 6,803,780 | | 7,053,212 |
| Capital grants | 733,142 | | 455,016 | 1,490,943 | | 984,061 | | 2,224,085 | | 1,439,077 |
| General Revenues: | | | | | | | | | | |
| Taxes | 22,156,893 | | 21,470,903 | - | | _ | | 22,156,893 | | 21,470,903 |
| Grants not restricted | | | | | | | | | | |
| to specific programs | 6,266,325 | | 6,309,830 | _ | | • | | 6,266,325 | | 6,309,830 |
| Investment earnings | 1,553,862 | | 843,651 | 1,981,047 | | 827,599 | | 3,534,909 | | 1,671,250 |
| Other | 425,181 | | 1,203,358 | - | | 25 | | 425,181 | | 1,203,383 |
| Total Revenues | 53,650,818 | | 46,746,194 | 31,608,716 | | 27,773,898 | _ | 85,259,534 | _ | 74,520,092 |

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

| | Governme | ntal Activities | Business-T | ype Activities | T | otal |
|---------------------------------|---------------|-----------------|----------------|----------------|--------------------|----------------|
| | 2006 | 2005 | 2006 | 2005 | 2006 | 2005 |
| Expenses: | | | | • | _ | |
| Legislative | \$ 100,388 | \$ 104,973 | \$ - | \$ - | \$ 100,388 | \$ 104,973 |
| Judiciat | 1,681,695 | 1,714,263 | - | - | 1,681,695 | 1,714,263 |
| General government | 4,118,599 | 4,885,248 | - | | 4,118,5 9 9 | 4,885,248 |
| Public safety | 20,031,557 | 18,995,200 | - | - | 20,031,557 | 18,995,200 |
| Public works | 11,556,464 | 8,410,303 | - | - | 11,556,464 | 8,410,303 |
| Health and welfare | 926,753 | 849,446 | - | - | 926,753 | 849,446 |
| Recreation and culture | 4,349,142 | 3,808,009 | _ | - | 4,349,142 | 3,808,009 |
| Debt service | 1,786,022 | 2,006,645 | - | - | 1,786,022 | 2,006,645 |
| Water | _ | - | 15,367,197 | 14,593,867 | 15,367,197 | 14,593,867 |
| Sewer | - | - | 12,735,635 | 10,448,249 | 12,735,635 | 10,448,249 |
| Total Expenses | 44,550,620 | 40,774,087 | 28,102,832 | 25,042,116 | 72,653,452 | 65,816,203 |
| Increase in Net Assets | 9,100,198 | 5,972,107 | 3,505,884 | 2,731,782 | 12,606,082 | 8,703,889 |
| Net Assets, July 1, as restated | 105,971,193 | 98,667,165 | 125,710,228 | 122,978,446 | 231,681,421 | 221,645,611 |
| Net Assets, June 30, | \$115,071,391 | \$ 104,639,272 | \$ 129,216,112 | \$ 125,710,228 | \$ 244,287,503 | \$ 230,349,500 |

Governmental Activities:

Governmental activities increased the City's net assets by \$9,100,198, thereby accounting for 72.2% of the total increase in the net assets of the City. Key factors of this increase are as follows:

- Special assessments primarily levied as a result of construction work related to the Metro Health Center area infrastructure improvements resulted in a \$6,111,854 increase.
- Tax revenue increased \$685,990 as a result of increased taxable assessments.
- Interest income increased \$710,211 as a result of increased interest rates.
- Public works expenditures increased \$3,146,161 (37%) primarily as a result of a change in the City's capitalization policy related to capitalization limits.
- Recreation and culture expenditures increased \$541,133 (14%) primarily due to increased personnel
 costs and improvements costing less than the revised capitalization policy limits.

Business-Type Activities:

Business-type activities increased the City's net assets by \$3,505,884, accounting for 27.8% of the total growth in the City's net assets. Key factors of this increase are as follows:

- Charges for services increased \$2,174,513 (8%) as a result of sewer rate increase and increases in sewer and water flows.
- Interest earned increased \$1,153,448 as a result of higher interest rates and additional cash to be invested.
- Operating expenditures for sewer increased \$2,287,386 (22%) as a result of additional interest on bonds issued for the sewer expansion and rehabilitation project and an increase in overall plant operation costs.
- Operating expenditures for water increased \$773,330 (5%) as a result of an increase in overall plant operation costs.

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Financial Analysis of the City's Funds

As the City completed the year, its governmental funds reported combined fund balances of \$22,385,141. Of this total amount, \$21,839,422 (98 percent) was unreserved fund balance, which is available for appropriations for the general purpose of the funds. The remainder of the fund balance is reserved and is not available for new spending because it has already been dedicated for various commitments.

General Fund:

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance was \$7,157,948 and reserved fund balance was \$111,897. Total fund balance increased by \$1,102,885 during the fiscal year, an amount higher than anticipated, primarily as the result of lower than budgeted expenditures throughout the general fund, including public safety, general government services and unspent contingency.

The differences between the original budget and the final amended budget for revenue and expenditures were relatively minor. However, the differences between final amended budget and the actual amounts were more significant. Revenues received were 1% less than budgeted (\$305,511) whereas expenditures were 6% less than budgeted (\$1,781,008). The greater reduction in expenditures is attributable to the conservative nature of City budgeting practices, including fully funding of all positions. Consequently, during current fiscal year, the General Fund continued to maintain a fund balance of over 26% of expenditures. For fiscal year 2006-2007, the City adopted a balanced budget which will result in the fund balance remaining at approximately 24% of 2006-2007 expenditures.

Capital Assets and Debt Administration

Capital Assets:

The City investment in capital assets for its governmental and business-type activities as of June 30, 2006 amounts to \$249,788,742 net of accumulated depreciation. This investment includes a broad range of capital assets, which are detailed in the table below. The total increase in the City's net investment in capital assets for the current fiscal year was \$10,900,562 (a 2% increase for governmental activities and a 7% increase for business-type activities.)

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CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

Net Capital Assets at Year End (in thousands)

| | G | overnmer | ntal A | ctivities | Вь | Business-Type Activities | | | Total Primary Governmen | | | |
|-----------------------------------|------|----------|--------|-----------|------|--------------------------|------|---------|-------------------------|---------|------|---------|
| | | 2006 | | 2005 | _ | 2006 | | 2005 | | 2006 | | 2005 |
| Capital assets not depreciated: | | | | | | | | | | | | |
| Land | \$ | 4,307 | \$ | 3,999 | \$ | 1,858 | \$ | 1,853 | \$ | 6,165 | \$ | 5,852 |
| Rights of way | | 9,355 | | 9,355 | | • | | • | | 9,355 | | 9,355 |
| Construction in process | | 7,917 | | 4,487 | | 15,679 | | 12,608 | | 23,596 | | 17,095 |
| Capital assets being depreciated: | | | | | | | | | | | | |
| Infrastructure | | 60,321 | | 60,630 | | - | | - | | 60,321 | | 60,630 |
| Buildings | | 25,321 | | 26,519 | | 16,021 | | 15,037 | | 41,342 | | 41,556 |
| Improvements other than buildings | | 1,659 | | 1,584 | | 94,317 | | 91,401 | | 95,976 | | 92,985 |
| Equipment | | 2,308 | | 2,507 | | 6,559 | | 4,953 | | 8,867 | | 7,460 |
| Vehicles | | 4,161 | | 3,944 | | 6 | | 11 | | 4,167 | | 3,955 |
| Net capital assets | \$ 1 | 115,349 | \$ | 113,025 | \$ - | 134,440 | \$ 1 | 125,863 | \$ 2 | 249,789 | \$ 2 | 238,888 |

This year's major capital events included the following:

- Construction was completed on a portion of the expansion of the Wyoming Water Treatment Plant on Lake Michigan resulting in depreciable capital assets increasing \$4,562,869 before depreciation.
 Various other projects are in process resulting in construction in process as of June 30, 2006 of \$3,382,773.
- Construction relating to the rehabilitation and expansion of the Wyoming Sewer Treatment Plant was started during the fiscal year and various other projects were completed resulting in an increase in depreciable capital assets of \$6,014,480 before depreciation and construction in process increasing to \$12,296,560.
- City streets, street lighting and sewer additions and improvements of \$1,805,217 were capitalized during the fiscal year and \$7,916,852 were included in construction in progress.

Additional information regarding the City's capital assets can be located in Note F of the notes to basic financial statements and in the other supplementary information.

Long-Term Debt:

At the end of the fiscal year, the City had total long-term bonds and notes outstanding of \$116,090,008. Of this amount, \$8,416,694 comprises debt backed by the full faith and credit of the City whereas \$37,503,314 comprises debt backed by the limited full faith and credit of the City. Another \$70,170,000 represents bonds secured solely by specific revenue sources (i.e., revenue bonds).

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Outstanding Debt at Year End

| | Governmental Activities | Business-Type Activities | Total Primary Government |
|---|----------------------------|--------------------------|--------------------------|
| General obligation bonds | | | |
| (backed by the City) | \$ 37,503,314 | \$ 721,694 | \$ 38,225,008 |
| Revenue bonds (backed by specific fee revenue) | - | 70,170,000 | 70,170,000 |
| Contracts with other municipality (backed by the City) | _ | 7,695,000 | 7,695,000 |
| Municipal purchase agreements (backed by specific capital assets) | _ | | - |
| Total | \$ 37,503,314 | \$ 78,586,694 | \$ 116,090,008 |

During fiscal year 2005-2006, the City issued special assessment general obligation debt totaling \$8,105,000 to fund street, sidewalk and other street improvement related projects. The City also issued revenue bonds of \$45,310,000 to finance the expansion and improvements at the Wyoming Water Treatment Plant and Wyoming Wastewater Treatment Plant.

The City maintains a "AA" rating from Standard & Poor's and "Aaa" from Moody's for its transportation general obligation debt. The special assessment general obligation debt carries rating of "A+" and "A3" from Standard & Poor's and Moody's, respectively. The revenue bonds for the Wyoming Water Supply and Sewer Disposal Systems have an "A" from Standard & Poor's and "Aaa" from Moody's.

State statutes limit the amount of general obligation debt the City can issue to 10% of its total state equalized assessed value of property. The City's total general obligation debt of \$38,225,008 is significantly lower than the current state-imposed limit of \$239,468,900.

Other long-term obligations totaling \$6,286,525 represent accrued compensated absences and workers compensation claims. Additional information is presented in Note G to the basic financial statements.

Economic Condition and Outlook

The downturn in the U.S. economy that began in the first quarter of 2001 had a similar impact on the State of Michigan (the State) and the local economy. While the rest of the nation is experiencing moderate growth, Michigan's economy remains sluggish. The City's tax revenues, comprising 38% of total general fund revenues, are primarily derived from property taxes. Revenue sharing we receive from the State is derived from sales and income taxes and comprises 26% of total general fund revenues. The State has basically frozen the level of revenue shared with municipalities resulting in no increase in state shared revenue to the City. During fiscal year 2006, the City limited budgeted increases to the dollar amount of estimated revenue that was anticipated. Also, steps have been taken to control the future increases in health and pension costs. The forecasted effects of these changes were considered in preparing the City's budget for fiscal year 2006-2007.

During the current fiscal year, unreserved fund balance in the General Fund increased to \$7,157,948 (an increase of \$1,448,982). While revenues during fiscal year 2006-2007 are anticipated to increase nearly 1.5 percent, budgeted expenditures for the General Fund are expected to rise nearly 5.7% to approximately \$29,216,490 from actual 2006 expenditures. The largest increments are increases in wages and health insurance costs. The City adopted a balanced budget on May 15, 2006 which was later modified to include various encumbered expenditures totaling \$110,980. With these encumbrances

CITY OF WYOMING, MICHIGAN MANAGEMENT'S DISCUSSION AND ANALYSIS

(Continued)

included in the budgeted expenditures, the unreserved fund balance is still in excess of 24% of budgeted General Fund expenditures. During the past several years concerns regarding future revenue growth as a result of continued State fiscal conditions and limited property tax revenue growth as a result of voter approved limitations during the 1980s and 1990s, along with continued expenditure growth, have been catalysts for the City to examine services offered. Future expenditure growth will be limited to available revenue thus requiring reduced level of services.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for its citizens, customers, investors, and creditors and to demonstrate the City's accountability for the money it receives. Questions regarding any information provided in this report or requests for additional financial information should be addressed to the following:

Finance Director City of Wyoming 1155 28th Street SW P.O. Box 905 Wyoming, MI 49509-0905

Government-Wide Financial Statements

CITY OF WYOMING, MICHIGAN STATEMENT OF NET ASSETS

June 30, 2006

| | | | Prima | ry Government | | | | | | Totals |
|--|------------|----------|-------|---------------|----|--------------|----|-------------|----|--------------|
| | Governmen | | Bı | siness-Type | | | С | omponent | | Reporting |
| | Activities | i | | Activities | | Total | | Units | | Entity |
| <u>Assets</u> | | | | | | | | | | |
| Cash and cash equivalents | | | | | | | | | | |
| (Note D) | \$ 7,082, | 707 | \$ | 3,287,622 | \$ | 10,370,329 | \$ | 1,630,541 | \$ | 12,000,870 |
| Investments (Note D) | 25,141,0 | 681 | | 14,902,554 | | 40,044,235 | | 27,500 | | 40,071,735 |
| Receivables (net of allowances | | | | | | | | | | |
| for uncollectibles): | | | | | | | | | | |
| Accounts | 314, | 904 | | 3,989,630 | | 4,304,534 | | 46,151 | | 4,350,685 |
| Accrued interest | 222, | | | 156,727 | | 379,450 | | 150 | | 379,600 |
| Taxes | 225, | | | - | | 225,786 | | - | | 225,786 |
| Special assessments | 8,556, | | | - | | 8,556,818 | | - | | 8,556,818 |
| Internal balances | (899, | 234) | | 899,234 | | - | | - | | - |
| Due from component units | | | | | | | | | | |
| (Note E) | 76,0 | 078 | | - | | 76,078 | | - | | 76,078 |
| Due from other governmental | | | | | | | | | | |
| units | 2,711,0 | 003 | | 7,928,813 | | 10,639,816 | | - | | 10,639,816 |
| Loans | 1,314, | 779 | | - | | 1,314,779 | | - | | 1,314,779 |
| Inventories | 242, | | | 118,315 | | 360,465 | | 450 | | 360,915 |
| Prepaid items | 288,2 | | | - | | 288,257 | | 14,315 | | 302,572 |
| Deposits in other funds | (747, | 793) | | 747,793 | | - | | - | | - |
| Restricted assets: | | | | | | | | | | |
| Cash and cash equivalents | | | | | | | | | | |
| (Note D) | | - | | 433,856 | | 433,856 | | 22,539 | | 456,395 |
| Investments (Note D) | | - | | 2,334,727 | | 2,334,727 | | - | | 2,334,727 |
| Accrued interest receivable | | - | | 20,682 | | 20,682 | | - | | 20,682 |
| Investments held for bond | | | | | | | | | | |
| redemption (Note D) Replacement reserve | 5.044.6 | - | | 25,919 | | 25,919 | | - | | 25,919 |
| Capital assets (Note F): | 2,214,8 | 395 | | 41,028,935 | | 43,243,830 | | - | | 43,243,830 |
| Capital assets (Note F). Capital assets not being depreciated | 04 570 6 | 250 | | 14 400 705 | | 20,000,045 | | 054070 | | |
| Capital assets being depreciated | 21,578,8 | | | 14,460,795 | | 36,039,645 | | 654,672 | | 36,694,317 |
| Less accumulated depreciation | 162,402,5 | | | 202,054,645 | | 364,457,243 | | 8,341,756 | | 372,798,999 |
| Other assets | (68,632,6 | | | (82,075,495) | (| 150,708,146) | | (4,604,110) | (| 155,312,256) |
| Outer assets | 1,124,0 | J50_ | | 2,062,191 | | 3,186,241 | _ | | | 3,186,241 |
| Total assets | 163,217,6 | 301 | | 212,376,943 | | 375,594,544 | | 6,133,964 | | 381,728,508 |
| <u>Liabilities</u> | | | | | | | | | | |
| Accounts payable | 2,532,2 | 291 | | 2,947,734 | | 5,480,025 | | 188,352 | | 5,668,377 |
| Accrued liabilities | 808,0 |)49 | | 353,650 | | 1,161,699 | | - | | 1,161,699 |
| Due to other governmental units | 923,€ | | | - | | 923,612 | | 296,006 | | 1,219,618 |
| Deposits | 118,8 | 345 | | 66,844 | | 185,689 | | 65,327 | | 251,016 |
| Unearned revenue | 208,8 | | | - | | 208,899 | | 1,578 | | 210,477 |
| Other (bond premiums) | 970,5 | 81 | | - | | 970,581 | | - | | 970,581 |
| Noncurrent liabilities (Note G): | | | | | | | | | | |
| Due within one year | 3,986,3 | | | 3,846,929 | | 7,833,297 | | 41,601 | | 7,874,898 |
| Due in more than one year | 38,597,5 | 65 | | 75,945,674 | | 114,543,239 | | 205,897 | | 114,749,136 |
| Total liabilities | 48,146,2 | 210 | | 83,160,831 | | 131,307,041 | | 798,761 | | 132,105,802 |
| | | | | | | | | | | |

| | | | Prima | ry Government | | | | Totals |
|---|----|---|-------|--|---|-----------|--|---|
| | G | overnmental Activities | Bu | usiness-Type Activities | Total | | Units | Reporting Entity |
| Net Assets | | | | | | | | |
| Invested in capital assets, net of related debt | \$ | 77,998,952 | \$ | 57,129,494 | \$ 135,128,446 | \$ | 4,347,360 | \$ 139,475,806 |
| Restricted for: Debt service Public safety Public works Recreation and culture Water contracts Unrestricted | | 296,774 12,660,564 1,910,134 - 22,204,967 | | 32,511,305 - - - 100,000 39,475,313 | 32,511,305 296,774 12,660,564 1,910,134 100,000 61,680,280 | | - - - - - 987, <u>843</u> | 32,511,305 296,774 12,660,564 1,910,134 100,000 62,668,123 |
| Total net assets | \$ | 115,071,391 | \$ | 129,216,112 | \$ 244,287,503 | <u>\$</u> | 5,335,203 | \$ 249,622,706 |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN STATEMENT OF ACTIVITIES Year Ended June 30, 2006

| | | | Program Revenues | | | | | |
|--|---------------|-------------------------|------------------------------------|--|--|--|--|--|
| Functions/Programs: | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | | | | |
| Primary Government: | | | | | | | | |
| Governmental activities: | | | | | | | | |
| Legisl a tive | \$ 100,388 | \$ - | \$ - | s - | | | | |
| Judicial | 1,681,695 | 1,859,143 | 102,034 | Ψ - | | | | |
| General government | 4,118,599 | 3,975,932 | 95,281 | 322,176 | | | | |
| Public safety | 19,220,080 | 1,567,234 | 694,835 | 322,176 | | | | |
| Public works | 12,367,941 | 7,777,183 | 4,721,650 | - 407,466 | | | | |
| Health and welfare | 926,753 | 229,200 | 1,089,331 | 407,400 | | | | |
| Recreation and culture | 4,349,142 | 302,943 | 100,649 | 3.500 | | | | |
| Interest and fiscal agent fees | 1,786,022 | - | - | 5,500 | | | | |
| Total governmental activities | 44,550,620 | 15,711,635 | 6,803,780 | 733,142 | | | | |
| Business-type activities: | | | | | | | | |
| Water | 15,367,197 | 16,715,172 | _ | 522,003 | | | | |
| Sewer | 12,735,635 | 11,421,554 | _ | 968,940 | | | | |
| Total business-type activities | 28,102,832 | 28,136,726 | | 1,490,943 | | | | |
| Total primary government | \$ 72,653,452 | \$ 43,848,361 | \$ 6,803,780 | \$ 2,224,085 | | | | |
| Component Units: | | | | | | | | |
| Wyoming Housing Commission | \$ 7,360,701 | \$ 495,439 | \$ 7,135,768 | \$ 238,220 | | | | |
| 62A District Court | 3,401,974 | 3,401,974 | - | φ 236,220 | | | | |
| Wyoming Downtown Development Authority | 264,110 | - | _ | • | | | | |
| Economic Development Corporation | 437 | - | - | - | | | | |
| Brownfield Redevelopment Authority | - | - | _ | - | | | | |
| Total component units | \$ 11,027,222 | \$ 3,897,413 | \$ 7,135,768 | \$ 238,220 | | | | |

General Revenues:

Taxes:

Property taxes levied for general purposes

Property taxes levied for debt service

Industrial/commercial facilities

Service charges in lieu of taxes

Penalties and interest on delinquent property taxes

Trailer taxes

Grants not restricted to specific programs

Investment earnings

Gain on sale of capital assets

Miscellaneous revenues

Total general revenues

Change in net assets

Net assets, beginning of year, as restated (Note M)

Net assets, end of year

| Net (Expense) Revenue and Changes in N | Net Assets |
|--|------------|
|--|------------|

| | | | Primary Government | | |
|-------------------------------|--------------------|----------------|-----------------------------|----------------------------|--|
| Totals Reporting Entity | Component Units | Total | Business-Type Activities | Governmental Activities | |
| | | | | | |
| \$ (100,388 | \$ - | \$ (100,388) | \$ - | \$ (100,388) | |
| 279,482 | - | 279,482 | - | 279,482 | |
| 274,790 | - | 274,790 | - | 274,790 | |
| (16,958,011 | - | (16,958,011) | - | (16,958,011) | |
| 538,358 | - | 538,358 | - | 538,358 | |
| 391,778 | - | 391,778 | • | 391,778 | |
| (3,942,050 | - | (3,942,050) | - | (3,942,050) | |
| (1,786,022 | | (1,786,022) | | (1,786,022) | |
| (21,302,063 | | (21,302,063) | - | (21,302,063) | |
| 1,869,978 | - | 1,869,978 | 1,869,978 | - | |
| (345,141 | _ | (345,141) | (345,141) | - | |
| 1,524,837 | | 1,524,837 | 1,524,837 | | |
| (19,777,226 | | (19,777,226) | 1,524,837 | (21,302,063) | |
| (10,111,110 | | (10,117,220) | 1,324,001 | (21,302,003) | |
| 508,726 | 508,726 | - | - | - | |
| | - | - | - | - | |
| (264,110 | (264,110) | - | - | - | |
| (437 | (437) | - | - | - | |
| | - | | - | | |
| 244,179 | 244,179_ | | | | |
| 21,053,429 | 286,104 | 20,767,325 | _ | 20,767,325 | |
| 582,838 | - | 582,838 | - | 582,838 | |
| 679,755 | - | 679,755 | - | 679,755 | |
| 25,209 | - | 25,209 | - | 25,209 | |
| 97,646 | - | 97,646 | - | 97,646 | |
| 4,120 | - | 4,120 | - | 4,120 | |
| 6,266,325 | _ | 6,266,325 | - | 6,266,325 | |
| 3,557,262 | 22,353 | 3,534,909 | 1,981,047 | 1,553,862 | |
| 425,181 | - | 425,181 | - | 425,181 | |
| 58,186 | 58,186 | | | <u> </u> | |
| 32,749,951 | 366,643 | 32,383,308 | 1,981,047 | 30,402,261 | |
| 13,216,904 | 610,822 | 12,606,082 | 3,505,884 | 9,100,198 | |
| 236,405,802 | 4,724,381 | 231,681,421 | 125,710,228 | 105,971,193 | |
| \$ 249,622,706 | \$ 5,335,203 | \$ 244,287,503 | \$ 129,216,112 | 115,071,391 | |

See accompanying notes to basic financial statements.

Fund Financial Statements

CITY OF WYOMING, MICHIGAN BALANCE SHEET GOVERNMENTAL FUNDS

June 30, 2006

| | <u>Ge</u> neral | Major Street | Local Street | Parks and Recreation |
|---|------------------|-------------------|--------------|-------------------------|
| <u>Assets</u> | | | | |
| Cash and cash equivalents (Note D) | \$ 1,187,438 | \$ 113,455 | \$ 234,605 | \$ 103,656 |
| Investments (Note D) | 6,144,900 | 610,542 | 1,262,491 | 557,807 |
| Receivables (net of allowances for uncollectibles): | | · | , . | , |
| Accounts | 10,780 | - | - | |
| Accrued interest | 54,436 | 5,410 | 11,184 | 4,916 |
| Taxes | 225,835 | - | - | • |
| Special assessments | - | - | - | - |
| Due from component units (Note E) | 76,078 | | - | - |
| Due from other governmental units | 1,548,504 | 797,110 | 180,923 | 116,057 |
| Prepaids | 917 | • | • | - |
| Inventories | - | 136,389 | 45,463 | - |
| Total assets | \$ 9,248,888 | \$ 1,662,906 | \$ 1,734,666 | \$ 782,436 |
| Liabilities and fund balances | | | - | |
| Liabilities: | | | | |
| Accounts payable | \$ 622,404 | \$ 82,486 | \$ 40,216 | \$ 86,109 |
| Accrued liabilities | 447,783 | - 02,100 | 4 40,210 | Ψ 00,109 |
| Due to other governmental units | 638,797 | - | _ | _ |
| Deposits | 85,200 | | _ | 1,875 |
| Deferred revenue | 184,859 | <u> </u> | | 24,040 |
| Total liabilities | 1,979,043 | 82,486 | 40,216 | 112,024 |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Encumbrances | 110,980 | 102,060 | 49,050 | 100,860 |
| Inventory and prepaid items | 917 | 136,389 | 45,463 | - |
| Unreserved: | | | · | |
| Designated for debt service, reported in: | | | | |
| Debt Service Funds | - | - | - | - |
| Designated for departmental cash, reported in: | | | | |
| General Fund | 21,044 | - | • | - |
| Designated for subsequent fiscal year, reported in: | | | | |
| Special Revenue Funds | - | - | - | - |
| Undesignated, reported in: | | | | - |
| General Fund | 7,136,904 | - | - | - |
| Special Revenue Funds | - | 1,341,971 | 1,599,937 | 569,552 |
| Capital Projects Funds | | - | - | |
| Total fund balances | <u>7,269,845</u> | 1,580,420 | 1,694,450 | 670,412 |
| Total liabilities and fund balances | \$ 9,248,888 | \$ 1,662,906 | \$ 1,734,666 | <u>\$ 782,436</u> |

| Community Development Block Grant | Capital Improvement | Capital Projects Revolving | Other Governmental Funds | Total Governmental Funds |
|---|------------------------|-------------------------------|--------------------------------|--------------------------------|
| | | | | |
| \$ - | \$ 2,437,671 | \$ 684,417 | \$ 390,361 | \$ 5,151,603 |
| . | 2,503,603 | 3,683,083 | 2,084,618 | 16,847,044 |
| | _,,,,,,,,, | | | |
| 1,314,779 | - | 209,630 | 48,815 | 1,584,004 |
| · · · | 22,178 | 32,627 | 18,462 | 149,213 |
| - | - | - | | 225,835 |
| • | - | 8,556,818 | - | 8,556,818 |
| - | - | - | - | 76,078 |
| 68,522 | - | - | - | 2,711,116 |
| • | - | - | - | 917 |
| | | | | 181,852 |
| \$ 1,383,301 | \$ 4,963,452 | \$ 13,166,575 | \$ 2,542,256 | \$ 35,484,480 |
| | | | • | |
| | | | | |
| | | | | |
| | - 0.00.00 | _ | \$ 73,063 | \$ 1,813 ,418 |
| \$ 68,522 | \$ 840,618 | \$ - | \$ 73,063 | 447,783 |
| - | - | - | _ | 638,797 |
| - | - | - | 31,770 | 118,845 |
| - | - | 0 EEC 818 | 31,770 | 10,080,496 |
| 1,314,779 | | <u>8,556,818</u> | | |
| 1,383,301 | 840,618 | 8,556,818 | 104,833 | 13,099,339 |
| | | | | |
| | | | | |
| | | | | |
| - | - | - | - | 362,950 |
| - | - | - | - | 182,769 |
| | | | | |
| | | | | 0.47.004 |
| | - | - | 247,824 | 247,824 |
| | | | | 21,044 |
| - | - | - | - | 21,044 |
| | | | _ | - |
| - | - | - | | |
| | _ | | _ | 7,136,904 |
| - | - | - | 2,189,599 | 5,701,059 |
| - | 4,122,834 | 4,609,757 | - | 8,732,591 |
| | 7,122,004 | .,,000,,01 | | |
| | 4,122,834 | 4,609,757 | 2,437,423 | 22,385,141 |
| \$ 1,383,301 | \$ 4,963,452 | \$ 13,166,575 | \$ 2,542,256 | \$ 35,484 <u>,480</u> |
| | -,, | | | |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS GOVERNMENTAL FUNDS

June 30, 2006

| | | Total Governmental Funds |
|--|----------------|--------------------------------|
| Total fund balances for governmental funds (Refer to page 21) | | \$ 22,385,141 |
| Amounts reported for governmental activities in the statement of net assets are different because: | | |
| Capital assets used in governmental activities are not financial resources, and therefore are not reported in the governmental funds. Those assets consist of: | | |
| Capital assets | \$ 168,145,066 | |
| Less: accumulated deprecation | (59,047,724) | |
| Net capital assets | | 109,097,342 |
| Internal service funds are used by the City to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds net assets are: | | |
| Motor Pool | 8,022,044 | |
| Insurance | 7,336,120 | |
| Total internal service funds net assets | | 15,358,164 |
| Some of the City's special assessments and accounts receivable will not be collected soon enough after year-end to be available to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds: | | |
| Special assessments | 8,556,818 | |
| Accounts receivable | 1,314,779 | |
| Total deferred revenues | | 9,871,597 |
| Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore are not reported in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilitiesboth current and long-termare reported in the statement of net assets. | | |
| Accrued interest on long-term debt | (360,266) | |
| Bonds and notes payable | (37,503,314) | |
| Compensated absences | (3,645,927) | |
| Property tax refund | (284,815) | |
| Deferred bond premium | (970,581) | |
| Deferred bond costs and gain on refunding | 1,293,333 | |
| Less: accumulated amortization | (169,283) | |
| Total long-term liabilities | | (41,640 <u>,853)</u> |
| Net assets of governmental activities | | \$ 115,071 <u>,</u> 391 |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

| | General | Major Street | Local Street | Parks and Recreation |
|--|---------------|--------------|--------------|-------------------------|
| Revenues: | | | | |
| Taxes | \$ 10,550,443 | \$ - | \$ - | \$ 3,113,020 |
| Licenses and permits | 676,696 | 238,872 | 25,228 | - |
| Intergovernmentai | 7,178,914 | 3,546,097 | 1,095,708 | 503,598 |
| Fees and service charges | 3,579,317 | 61,384 | 40,923 | 251,033 |
| Fines and forfeitures | 1,859,143 | - | - | , · |
| Special assessments | - | - | - | - |
| Building rental | 149,499 | - | - | 2,990 |
| Investment earnings | 401,916 | 31,192 | 48,653 | 58,174 |
| Donations | 3,085 | - | | 5,000 |
| Storm sewer cost share | - | | | |
| Loan repayments | - | <u>.</u> | - | - |
| Miscellaneous | 77,049 | 71,608 | 9,910 | 12,684 |
| Total revenues | 24,476,062 | 3,949,153 | 1,220,422 | 3,946,499 |
| Expenditures: | | | _ | |
| Current: | | | | |
| Legislative | 100,650 | | | |
| Judicial | | • | - | - |
| General government | 1,792,614 | ~ | - | - |
| Public safety | 6,083,123 | - | - | - |
| Public works | 18,547,976 | | | - |
| Health and welfare | 734,345 | 3,139,664 | 2,018,288 | - |
| Recreation and culture | 31,651 | - | • | 64,428 |
| Miscellaneous | 202,150 | - | - | 4,017,984 |
| Capital outlay | 159,993 | - | - | - |
| Debt service: | - | - | - | - |
| Principal retirement | | | | |
| Interest and fiscal agent fees | • | - | - | - |
| Bond issuance costs | • | • | • | - |
| Dono issuance costs | | | | |
| Total expenditures | 27,652,502 | 3,139,664 | 2,018,288 | 4,082,412 |
| Excess (deficiency) of revenues over expenditures | (3,176,440) | 809,489 | (797,866) | (135,913) |
| Other financing sources (uses): Bonds issued | | | | |
| Proceeds from sale of capital assets | - | - | | - |
| Transfers in | 37,400 | - | • | - |
| Transfers out | 4,241,925 | - | 800,000 | - |
| nansiers out | | (800,000) | - | |
| Total other financing sources (uses) | 4,279,325 | (800,000) | 800,000 | |
| Net change in fund balances | 1,102,885 | 9,489 | 2,134 | (135,913) |
| FUND BALANCES, beginning of year, as restated (Note M) | 6,166,960 | 1,570,931_ | 1,692,316 | 806,325 |
| FUND BALANCES, end of year | \$ 7,269,845 | \$ 1,580,420 | \$ 1,694,450 | \$ 670,412 |

| \$ - \$ 3,876,353 \$ - \$ 5,541 1,379 682,003 | |
|---|---|
| 1,379 682,003 | .785 2,320,581 - 13,006,320 .769 4,069,426 .345 1,868,488 - 1,182,206 .661 1,742,150 |
| 682,003 | - 13,006,320 ,769 4,069,426 ,345 1,868,488 - 1,182,206 ,661 1,742,150 |
| | ,769 4,069,426 ,345 1,868,488 - 1,182,206 ,661 1,742,150 |
| | .345 1,868,488 - 1,182,206 .661 1,742,150 |
| | - 1,182,206 ,661 1,742,150 |
| | ,661 1,742,150 |
| - 1,182,206 | |
| | 900 1.170.220 |
| • | ,000 10,085 |
| | - 384,822 |
| - 384,822 - | - 80,065 |
| 80,065 | ,003 254,331 |
| 72,260 6,817 - 4 | -,000 |
| 834,328 4,454,192 1,484,305 8,810 | 1,979 49,175,940 |
| • | |
| <u> </u> | - 100,650 |
| | - 1,792,614 |
| | - 6,083,123 |
| 1,384 | ,053 19,932,029 |
| | ,575 6,496,872 |
| 788,136 | - 884,215 |
| | 0,611 4,636,937 |
| - | - 159,993 |
| - 9,326,688 2,035 | - 9,328,723 |
| 2,710 |),339 2,710,339 |
| 1,558 | 3,018 1,558,018 |
| 120,794 | 120,794 |
| 834,328 9.447,482 2,035 6,627 | 7,596 53,804,307 |
| | 3,383 (4,628,367) |
| | 0 405 000 |
| - 8,105,000 - | - 8,105,000 - 751,437 |
| - 714,037 - 2,068 | |
| | |
| | |
| <u> </u> | <u>8,856,437</u> |
| - 2,453,062 786,792 | 9,621 4,228,070 · |
| <u>- 1,669,772 3,822,965 2,42</u> | 7,802 18,157,071 |
| \$ - \$ 4,122,834 \$ 4,609,757 \$ 2.43 | 7,423 \$ 22,385,141 |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES **GOVERNMENTAL FUNDS**

Year Ended June 30, 2006

| | | Total Governmental Funds |
|--|--------------|--------------------------------|
| Net change in fund balances - total governmental funds (Refer to page 25) | | \$ 4,228,070 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | | |
| Expenditures for capital assets | \$ 6,414,626 | |
| Less: current year depreciation expense | (4,098,785) | |
| Net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade- | | |
| ins, and donations) | (35,554) | |
| Net effect of these differences in the treatment of capital outlays | | 2,280,287 |
| Internal service funds are used by the City to charge the cost of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. Internal service funds net revenue (expense) are: | | |
| Motor Pool | (546,492) | |
| Insurance | 2,818,369 | |
| Total internal service funds net revenue | | 2,271,877 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Some of the City's special assessments and accounts receivables will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and are therefore reported as deferred revenue in the funds: | 0.444.054 | |
| Special assessments | 6,111,854 | |
| Accounts receivable | 43,766 | 0.455.000 |
| Total deferred revenues | | 6,155,620 |
| The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. | | |
| Accrued interest on long-term debt | (111,356) | |
| Compensated absences | (182,928) | |
| Property tax refund | (284,815) | |
| Debt issued | (8,105,000) | |
| Principal payments | 2,710,339 | |
| Bond discount | 120,794 | |
| Less: current year amortization | 17,310 | |
| Net effect of these differences in the treatment of long-term debt | | (5,835,656) |
| | | |
| Change in net assets of governmental activities | | \$ 9,100,198 |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN STATEMENT OF NET ASSETS PROPRIETARY FUNDS

June 30, 2006

| | Business-Type Activities: Enterprise Funds | | | | | |
|---|--|-------------------------|----------------|---------------------------|--|--|
| | | Activities: | | | | |
| | Water Fund | Sewer <u>Fun</u> d | Total | Internal Service Funds | | |
| <u>Assets</u> | | | | | | |
| Current assets: | | | | | | |
| Cash and cash equivalents (Note D) | \$ 2,908,310 | \$ 379,312 | \$ 3,287,622 | \$ 1,935,255 | | |
| Investments (Note D) | 13,858,620 | 1,043,934 | 14,902,554 | 8,323,455 | | |
| Accounts receivable | 2,638,828 | 1,350,802 | 3,989,630 | -,020,100 | | |
| Accrued interest receivable | 135,202 | 21,525 | 156,727 | 74,300 | | |
| Due from other governmental units | 6,787,858 | 1,140,955 | 7,928,813 | 45,000 | | |
| Inventory | 88,595 | 29,720 | 118,315 | 60,298 | | |
| Prepaid items | | - | <u> </u> | 287,340 | | |
| Total current assets | 26,417,413 | 3,966,248 | 30,383,661 | 10,725,648 | | |
| Long-term assets: | | | _ | | | |
| Deposits in other funds | 337,013 | 410,780 | 747,793 | | | |
| Restricted assets: | | | | | | |
| Revenue bond reserve: | | | | | | |
| Cash and cash equivalents (Note D) | 433,856 | _ | 433,856 | _ | | |
| Investments (Note D) | 2,334,727 | | 2,334,727 | _ | | |
| Accrued interest receivable | 20,682 | _ | 20,682 | - | | |
| Investments held for bond redemption (Note D) | 25,919 | | | - | | |
| Replacement reserve: | 20,919 | - | 25,919 | - | | |
| Cash and cash equivalents (Note D) | 791,750 | 0 224 772 | 10 100 500 | | | |
| Investments (Note D) | 643,948 | 9,331,772 29,973,774 | 10,123,522 | 344,515 | | |
| Accrued interest receivable | 5,705 | 29,973,774 | 30,617,722 | 1,853,956 | | |
| Construction reserve receivables | 5,705 | 385 | 287,306 385 | 16,424 | | |
| | | | | - _ | | |
| Total restricted assets | 4,256,587 | 39,587,532 | 43,844,119 | 2,214,895 | | |
| Capital assets (Note F): | | | | | | |
| Property and equipment | 120,609,814 | 95,905,626 | 216,515,440 | 15,836,382 | | |
| Less accumulated depreciation | 45,118,871 | 36,956,624 | 82,075,495 | 9,584,927 | | |
| Net capital assets | 75,490,943 | 58,949,002 | 134,439,945 | 6,251,455 | | |
| Other assets: | | | | | | |
| Unrealized loss on bond refunding | 116,906 | | 116,906 | | | |
| Long-term receivable | - | 785,948 | 785,948 | - | | |
| Bond issue costs and discounts | 880,257 | 279,080 | 1,159,337 | <u> </u> | | |
| Total other assets | 997,163 | 1,065,028 | 2,062,191 | - - | | |
| Total long-term assets | 81,081,706 | 100,012,342 | | 9.400.000 | | |
| - | 01,001,700 | 100,012,342 | 181,094,048 | 8,466,350 | | |
| Total assets | 107,499,119 | 103,978,590 | 211,477,709 | 19,191,998 | | |

| | Business-Type Activities: Enterprise Funds | | | | | | Governmental Activities: | |
|---|--|------------|----|------------|---------|-------------|--------------------------|------------|
| | Water Sewer | | | | | | nal Service | |
| | | Fund | | Fund | | Total | | Funds |
| <u>Liabilities</u> | | | | | | | | |
| Current liabilities: | | | | | | | | |
| Accounts payable | \$ | 425,443 | \$ | 2,522,291 | \$ | 2,947,734 | \$ | 749,116 |
| Accrued interest payable | | 126,560 | | 227,090 | | 353,650 | | - |
| Customer deposits | | 66,994 | | (150) | | 66,844 | | - |
| Current portion (Note G): | | | | | | | | |
| Bonds, notes and contracts payable | | 2,268,704 | | 1,420,658 | | 3,689,362 | | - |
| Compensated absences, workers' | | | | | | | | |
| compensation and death benefits | | 92,051 | _ | 65,516 | | 157,567 | | 233,088 |
| Total current liabilities | | 2,979,752 | | 4,235,405 | | 7,215,157 | | 982,204 |
| | | | | | | | | |
| Long-term liabilities | | | | | | | | |
| (net of current portion) (Note G): | | | | | | | | |
| Bonds, notes and contracts payable | | 23,575,600 | | 51,321,732 | | 74,897,332 | | - |
| Compensated absences, workers' | | | | | | | | |
| compensation and death benefits | | 587,028 | | 461,314 | | 1,048,342 | | 1,201,604 |
| Total long-term liabilities | . <u>-</u> | 24,162,628 | | 51,783,046 | | 75,945,674 | | 1,201,604 |
| Total liabilities | | 27,142,380 | | 56,018,451 | | 83,160,831 | | 2,183,808 |
| | | | | | | | | |
| Net Assets | | | | | | | | |
| Invested in capital assets, net of related debt | | 50,643,802 | | 6,485,692 | | 57,129,494 | | 6,251,455 |
| Restricted for: | | 2,110,258 | | 30,401,047 | | 32,511,305 | | - |
| Debt service | | 100,000 | | - | | 100,000 | | _ |
| Water contracts | | 100,000 | | | | , | | |
| Unrestricted | _ | 27,502,679 | | 11,073,400 | | 38,576,079 | | 10,756,735 |
| Total net assets | \$ | 80,356,739 | | 47,960,139 | | 128,316,878 | \$ | 17,008,190 |
| Some amounts reported for busines | | | | | | | | |
| statement of net assets are different | | | | | | | | |
| service fund assets are included with business-type activities. | | | | | 899,234 | | | |
| Net assets of business-type activitie | s | | | | \$ | 129,216,112 | | |

See accompanying notes to basic financial statements.

CITY OF WYOMING, MICHIGAN STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS

Year Ended June 30, 2006

| | Ε | es: | Governmental | |
|--|----------------------|------------------|------------------------|------------------------|
| | | Enterprise Funds | | Activities: |
| | Water | Sewer | | Internal Service |
| _ | Fund | Fund | Total | Funds |
| Operating revenues: | | | | |
| Charges for services | \$ 16,436,262 | \$ 11,356,920 | \$ 27,793,182 | \$ 18,858 |
| Equipment rentals | - | - | - | 2,654,104 |
| Building rentals | <u>-</u> | - | - | 304,920 |
| Premiums | | | | 9,966,185 |
| Total operating revenues | 16,436,262 | 11,356,920 | 27,793,182 | 12,944,067_ |
| Operating expenses: | | | | |
| Administrative and general | 1,097,460 | 1,311,016 | 2,408,476 | 767 202 |
| Accounting and collection | 404,775 | 1,011,010 | 404,775 | 767,202 |
| Pumping and treatment | 4,826,696 | 6,510,233 | 11,336,929 | • |
| Transmission and distribution | 3,569,951 | 1,003,247 | 4,573,198 | • |
| Equipment and building operations | - | 1,000,247 | 7,373,180 | 2.005.224 |
| Depreciation | 2,655,626 | 2,335,141 | 4,990,767 | 2,285,321 |
| Insurance claims and premiums | 2,000,020 | 2,000,141 | 4,550,707 | 1,166,320 6,213,134 |
| | | | | 0,213,134 |
| Total operating expenses | 12,554,508 | 11,159,637 | 23,714,145 | 10,431,977 |
| Operating income | 3,881,754 | 197,283 | 4,079,037 | 2,512,090 |
| Nonoperating revenues: | | | | |
| Investment earnings | 682,324 | 1,298,723 | 1,981,047 | 377,642 |
| Property lease income | 80,199 | - | 80,199 | 011,042 |
| Gain (loss) on disposal of capital assets | (44,894) | (35,125) | (80,019) | 176,559 |
| Miscellaneous income | 198,711 | 64,634 | 263,345 | 2,233 |
| Total nonoperating revenues | 916,340 | 1,328,232 | 2,244,572 | 556,434 |
| Nonoperating expenses: | | | | |
| Interest | 1,052,320 | 1,761,669 | 2 812 000 | 00 220 |
| Ottawa County payment | 1,920,700 | 1,707,009 | 2,813,989 1,920,700 | 99,338 |
| Amortization and paying agent | 138.820 | 14,896 | 153,716 | • |
| | · · · | | 155,776 | |
| Total nonoperating expenses | <u>3,1</u> 11,840 | 1,776,565 | 4,888,405 | 99,338 |
| Income (loss) before capital contributions | 1,686,254 | (251,050) | 1,435,204 | 2,969,186 |
| Capital contributions | 522,003 | 968,940 | 1,490,943 | |
| Change in net assets | 2,208,257 | 717,890 | 2,926,147 | 2,969,186 |
| Net assets, beginning of year | 78,148,482 | 47,242,249 | | 14,039,004 |
| Net assets, end of year | \$ 80,356,739 | \$ 47,960,139 | | \$ 17,008,190 |
| | | | | |

Some amounts reported for business-type activities in the statement of activities are different because the net revenue of certain internal services is reported with business-type activities.

579,737

Change in net assets of business-type activities

\$3,505,884

CITY OF WYOMING, MICHIGAN STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

Year Ended June 30, 2006

| | E | Governmental Activities: | | |
|--|----------------------|-----------------------------|---------------|------------------------|
| | Water Fund | Enterprise Funds Sewer Fund | Total | Internal Service Funds |
| Cash flows from (for) operating activities: | | | | |
| Receipts from customers | \$ 17,805,396 | \$ 10,581,829 | \$ 28,387,225 | \$ 12,901,575 |
| Payments to suppliers | (4,073,264) | (3,946,196) | (8,019,460) | (7,881,220) |
| Payments to employees | (3,599,185) | (2,682,479) | (6,281,664) | (1,314,227) |
| Payments to internal service funds | | , , , , , | () () | (1,011,1=17) |
| and administrative fees | (2,712,906) | (2,308,284) | (5,021,190) | (1,111,700) |
| Other receipts | 232,016 | 29,509 | 261,525 | 182,956 |
| Net cash provided by operating activities | 7,652,057 | 1,674,379 | 9,326,436 | 2,777,384 |
| Cash flows from (for) capital and related financing activities: | | | | |
| Acquisition of capital assets | (2,619,039) | (10,972,909) | (13,591,948) | (1,171,852) |
| Proceeds from bonds payable | 3,860,000 | 41,450,000 | 45,310,000 | - |
| Principal payments on bonds, notes and | | | , ,,,,,,, | |
| contracts payable | (1,707,936) | (691,725) | (2,399,661) | (199,750) |
| Payment to Ottawa County | (1,920,700) | | (1,920,700) | • |
| Interest paid | (1,192,541) | (1,754,271) | (2,946,812) | (99,338) |
| Contributed capital | 522,003 | 968,940 | 1,490,943 | - |
| Proceeds from sale of capital assets | 2,000 | | 2,000 | 172,910 |
| Net cash provided (used) by capital and related financing activities | (3,056,213) | 29,000,035 | 25,943,822 | (1,298,030) |
| Cash flows from (for) investing activities: | | | | |
| Investment earnings | 629,179 | 1,058,077 | 1,687,256 | 357,838 |
| Purchase of investments | (2,641,605) | (22,914,721) | (25,556,326) | (910,304) |
| Net cash used by investing activities | <u></u> | | <u></u> | |
| The second of th | (2,012,426) | (21,856,644) | (23,869,070) | (552,466) |
| Net increase in cash and equivalents | 2,583,418 | 8,817,770 | 11,401,188 | 926,888 |
| CASH AND CASH EQUIVALENTS, beginning of year | 1,550,498 | 893,314 | 2,443,812 | 1,352,882 |
| CASH AND CASH EQUIVALENTS, end of year | \$ 4,133,916 | \$ 9,711,084 | \$ 13,845,000 | \$ 2,279,770 |
| Nonc | ash Investing Activi | ities | | |
| Change in fair value of investments | \$ 2,003,640 | \$ 5,101,974 | \$ 7,105,614 | \$ 910,304 |

| | Business-Type Activities: Enterprise Funds | | | | | Governmental Activities: Internal Service | | |
|--|--|-----------------------|----|-----------|----|---|----|-----------|
| | | Water Fund Sewer Fund | | Total | | Funds | | |
| Reconciliation of operating income to net cash provided by operating activities: | | . | | | | | | 0.540.000 |
| Operating income Adjustments to reconcile operating income to net cash provided by operating activities: | \$ | 3,881,754 | \$ | 197,283 | \$ | 4,079,037 | \$ | 2,512,090 |
| Depreciation and amortization | | 2,655,626 | | 2,335,141 | | 4,990,767 | | 1,166,320 |
| Property lease income | | 80,199 | | - | | 80,199 | | - |
| Miscellaneous cash received Changes in operating assets and liabilities: | | 155,898 | | 29,509 | | 185,407 | | 2,233 |
| Accounts receivable | | (531,507) | | (81,206) | | (612,713) | | - |
| Due from other governmental units | | 1,900,197 | | (698,435) | | 1,201,762 | | (42,492) |
| Inventory | | 25,231 | | 903 | | 26,134 | | (23,395) |
| Prepaid items | | _ | | - | | - | | (47,871) |
| Accounts payable | | (552,072) | | (127,899) | | (679,971) | | (193,772) |
| Customer deposits | | 444 | | 4,550 | | 4,994 | | - |
| Compensated absences, workers' compensation | | | | | | | | |
| and death benefits | | 36,287 | | 14,533 | | 50,820 | | (595,729) |
| Net cash provided by operating activities | \$ | 7,652,057 | \$ | 1,674,379 | \$ | 9,326,436 | \$ | 2,777,384 |

CITY OF WYOMING, MICHIGAN STATEMENT OF FIDUCIARY NET ASSETS FIDUCIARY FUNDS

June 30, 2006

| | Age | ency Fund | | Trust Fund |
|---|-----------|--------------|-------|------------|
| | Tax | : Collection | | Pension |
| <u>Assets</u> | | | | |
| Cash and cash equivalents (Note D) | \$ | 18,715 | \$ | 4,623,217 |
| Investments (Note D): | | -, | • | 1,020,211 |
| U.S. Government obligations | | - | | 10,637,725 |
| Municipal bonds | | - | | 508,950 |
| Domestic corporate bonds | | - | | 22,215,971 |
| Domestic stocks | | - | | 50,841,503 |
| Preferred stocks | | _ | | 4,515,087 |
| Foreign stocks | | _ | | 1,262,164 |
| Foreign bonds | | _ | | 991,160 |
| Foreign preferred stocks | | _ | | 278,810 |
| Mutual funds | | - | | 3,833,331 |
| International stock mutual funds | | - | | 23,298,270 |
| Investments held by broker under securities lending | | | ٠ | 5,932,690 |
| Receivables: | | | | . , |
| Accrued interest | | _ | | 556,182 |
| Unsettled trades | | - | | 1,511,416 |
| Taxes | : | 2,281,283 | | |
| Total assets | <u>\$</u> | 2,299,998 | 1 | 31,006,476 |
| <u>Liabilities</u> | | | | |
| | | | | |
| Liability under securities lending (Note K) | \$ | - | | 5,932,690 |
| Accounts payable | | - | | 1,610,186 |
| Due to other governmental units | 2 | 2,299,998 | | |
| Total liabilities | | | | |
| Total habilities | \$ 2 | 2,299,998 | | 7,542,876 |
| Net Assets | | | | |
| Held in trust for pension benefits | | | \$ 12 | 23,463,600 |

CITY OF WYOMING, MICHIGAN STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS FIDUCIARY FUNDS

Year Ended June 30, 2006

| | Trust Fund |
|--|----------------|
| | Pension |
| Additions: | |
| Contributions: | |
| Employer | \$ 4,288,558 |
| Employee | 179,435 |
| Total contributions | 4,467,993 |
| Investment income: | |
| Net appreciation in fair value of investments | 6,442,662 |
| Interest | 4,308,490 |
| Other | 30,270 |
| Total income from investing activities | 10,781,422 |
| Less investment expense | 399,892 |
| Net income from investing activities | 10,381,530 |
| Securities lending income | 172,058 |
| Securities lending expense | (164,714) |
| Net income from securities lending | 7,344 |
| Total additions | 14,856,867 |
| Deductions: | |
| Benefits | 4,976,396 |
| Health care premium subsidies | 1,666,636 |
| Administrative expense | 46,494 |
| Total deductions | 6,689,526 |
| Change in net assets | 8,167,341 |
| Net assets held in trust for pension benefits: | |
| Beginning of year | 115,296,259 |
| End of year | \$ 123,463,600 |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF NET ASSETS COMPONENT UNITS

June 30, 2006 (March 31, 2006 for Wyoming Housing Commission)

| | March 31, 2006 | 1, 2006 June 30, 2006 | | | | |
|-------------------------------------|----------------------------------|-----------------------|---|--|--|--------------|
| | Wyoming Housing Commission | 62A District Court | Wyoming Downtown Development Authority | Economic Development Corporation | Brownfield Redevelopment Authority | Total |
| Assets | | | | | | |
| Cash and cash equivalents | | | | | • | |
| (Note D) | \$ 1,049,273 | \$ 296,006 | \$ 187,423 | \$ 82,774 | \$ 15,065 | \$ 1,630,541 |
| Investments | 27,500 | • | - | • | - | 27,500 |
| Accounts receivable | 46,151 | - | - | - | - | 46,151 |
| Accrued interest | 150 | - | - | - | - | 150 |
| Inventories | 450 | - | , - | - | - | 4 50 |
| Prepaid expenses Restricted assets: | 14,315 | - | - | - | • | 14,315 |
| Cash and cash equivalents | | | | | | |
| (Note D) | 22,539 | _ | - | - | - | 22,539 |
| Capital assets, (Note F) | 8,951,470 | _ | 44,958 | • | - | 8,996,428 |
| Less accumulated depreciation | (4,604,110) | | | <u> </u> | | (4,604,110) |
| Total assets | 5,507,738 | 296,006 | 232,381 | 82,774 | 15,065 | 6,133,964 |
| <u>Liabilities</u> | | | | | | |
| Accounts payable | 183,865 | - | 4,487 | - | - | 188,352 |
| Due to other governmental units | - | 296,006 | - | - | - | 296,006 |
| Deposits | 65,327 | - | - | - | - | 65,327 |
| Unearned revenue | 1,578 | - | - | - | - | 1,578 |
| Noncurrent liabilities (Note G): | | | | | | |
| Due within one year | 7,294 | - | 34,307 | - | - | 41,601 |
| Due in more than one year | 65,643 | | 140,254 | · | | 205,897 |
| Total llabilities | 323,707 | 296,006 | 179.048 | | - | 798,761 |
| Net assets | | | | | | |
| Invested in capital assets, | | • | | | | |
| net of related debt | 4,347,360 | - | - | - | - | 4,347,360 |
| Unrestricted | 836,671 | | 53,333 | 82,774 | 15,065 | 987,843 |
| Total net assets | \$ 5, <u>184,031</u> | <u> </u> | \$ 53,333 | \$ 82,774 | \$15,065 | \$ 5,335,203 |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF ACTIVITIES COMPONENT UNITS

Year Ended June 30, 2006 (March 31, 2006 for Wyoming Housing Commission)

| | | <u>_</u> | Program Revenues | |
|--|---------------|-------------------------|------------------------------------|-------------------------------------|
| Wyoming Housing Commission | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Health and welfare | \$ 7,360,701 | \$ 495,439 | \$ 7,135,768 | \$ 238,220 |
| 62A District Court | | | | |
| Judicial | 3,401,974 | 3,401,974 | - | - |
| Wyoming Downtown Development Authority | | | | |
| Health and welfare | 264,110 | | - | - |
| Economic Development Corporation | | | | |
| Health and welfare | 437 | • | - | - |
| Brownfield Redevelopment Authority | | | | |
| Health and welfare | | | ` | <u>-</u> _ |
| Total component units | \$ 11,027,222 | \$ 3,897,413 | \$ 7,135,768 | \$ 238,220 |

General revenues:

Property taxes

Unrestricted investment earnings

Miscellaneous

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Net assets, end of year

| ning Housing mmission | 62A District Court | Wyoming Downtown Development Authority | Economic Development Corporation | Brownfield Redevelopment Authority | Total |
|--------------------------|-----------------------|---|----------------------------------|--|---------------|
| \$ 508,726 | | | | | \$ 508,726 |
| | \$ | | | | - |
| | | \$ (264,110) | | | (264,110) |
| | | | <u>\$</u> (437) | | (437) |
| | | | | \$ - | - |
| | | | | | 244,179 |
| | | 280,504 | _ | 5,600 | 286,104 |
| - 44.000 | - | 5,514 | 2,342 | 295 | 22,353 |
| 14,202 55,771 | <u>-</u> | 2,415 | | | 58,186 |
| 69,973 | | 288,433 | 2,342_ | 5,895 | 366,643 |
| 578,699 | - | 24,323 | 1,905 | 5,895 | 610,822 |

29,010

53,333

\$

4,605,332

5,184,031

\$

80,869

82,774

See accompanying notes to basic financial statements.

15,065

\$

9,170

4,724,381

5,335,203

NOTE A - DESCRIPTION OF THE CITY

The City of Wyoming, Michigan was incorporated in 1959. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, recreation and culture, public improvements, planning and zoning, and general administrative services.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Wyoming (the primary government) and its component units for which the City is considered to be financially accountable. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

1. Blended Component Unit

The Building Authority is a legally separate entity created by the City. The Building Authority uses the proceeds of its tax-exempt bonds to finance the construction of general capital assets for the City. The bonds are secured by a lease agreement with the City and will be retired through lease payments from the City.

2. Discretely Presented Component Units

The component units' column in the statements of net assets and activities includes the financial data of the City's five other component units. These are reported in a separate column to emphasize that they are legally separate from the City.

Economic Development Corporation - The Economic Development Corporation (EDC) was established pursuant to the provisions of Public Act 338 of 1974, as amended, and is governed by a nine member Board of Directors appointed by the City. The City has financial accountability for the EDC as the City has authority to approve all EDC projects.

Brownfield Redevelopment Authority - The Brownfield Redevelopment Authority was established pursuant to Public Act 381 of 1996 and is governed by the Economic Development Board of Directors. Upon completion of its purpose, the Authority may be dissolved by resolution of the City Council.

Wyoming Downtown Development
Authority - The Wyoming Downtown
Development Authority, was established
pursuant to Public Act 197 of 1995, as
amended, and is governed by a nine member
Board of Directors appointed by the Mayor,
subject to approval of the City Council. Upon
completion of its purposes, the Authority may be
dissolved by resolution of the City Council.

Wyoming Housing Commission - The Wyoming Housing Commission, which was established pursuant to Public Act 18 of 1933, as amended, consists of five members who are appointed by the City. Because the City may remove commission members, it has financial accountability for the Wyoming Housing Commission.

District Court of Wyoming - The District Court accounts for the collection and payment to the State of Michigan, Kent County, and the City of Wyoming, of fines and fees collected on their behalf. Bond and other trust money held by the Court are also accounted for. The City is financially accountable for the District Court and is required to fund its operations. The District Court does not issue separate financial statements.

Complete financial statements of the individual component units can be obtained from the respective administrative offices or from the City's office.

City of Wyoming **Economic Development Corporation**1155 28th Street, SW

Wyoming, Michigan 49509

City of Wyoming Brownfield Redevelopment Authority 1155 28th Street, SW Wyoming, Michigan 49509

(Continued)

City of Wyoming **Wyoming Downtown Development Authority** 1155 28th Street, SW Wyoming, Michigan 49509

Wyoming Housing Commission 2450 36th Street, SW Wyoming, Michigan 49509

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except for the agency fund which does not have a measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Agency funds are custodial in nature and do not present results of operations or have a measurement focus.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Governmental fund expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

On the governmental funds statements, property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be

(Continued)

measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- The general fund is the government's primary operating fund. It accounts for all the resources traditionally associated with governments which are not required to be accounted for in another fund.
- The major street fund accounts for the maintenance of all major streets and trunklines. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The local street fund accounts for the maintenance of all local streets. Financing is provided by special revenues from provisions of Act 51 of 1951 as amended.
- The parks and recreation fund accounts for the operation and maintenance of the parks and recreational facilities. This fund is financed by a special tax levy.
- The community development block grant fund accounts for the improvement, rehabilitation and preservation of public facilities in target areas as well as at the issuance and repayment of rehabilitation loans. Financing is provided by Community Development Block Grants and program income.
- The capital improvement fund accounts for major capital expenditures not financed by Enterprise Funds or Internal Service Funds.
- The capital projects revolving fund accounts for money advanced and received from special assessments on benefited property for improvement projects not funded by the issuance of bonds.

The City reports the following major proprietary funds:

 The water fund accounts for the operation and maintenance of the water supply system, capital additions and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds, municipalities and customers.

 The sewer fund accounts for the operation and maintenance of the sewage disposal system, capital additions and improvements and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds, municipalities and customers.

Additionally, the City reports the following fund types:

- Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis.
 - The motor pool fund accounts for the procurement and maintenance of City equipment and vehicles. Revenues are provided through vehicle and equipment rental charges to other funds.
 - The insurance fund accounts for payment of approved insurance claims, public liability, life insurance, workers' compensation, etc. The City is selfinsured and finances its insurance payments through budgeted transfers from other funds.
- The agency fund accounts for the collection and payment to Kent County, various school districts, and other taxing authorities of property taxes collected by the City on their behalf.
- The pension trust fund accounts for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by the City at amounts determined by an annual actuarial study.

Private—sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the

(Continued)

Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the supplementary information:

 During the first week of April, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted by the City Council to obtain taxpayer comments.
- No later than the second week of May, the budget is legally enacted through passage of a Council resolution.
- Formal budgetary integration is employed as a management control device during the year for all governmental funds except the Capital Projects Revolving Fund.
- Budgets are adopted on a modified accrual basis consistent with generally accepted accounting principles.
- Budgetary control over expenditures is maintained on an activity level basis by department, which is the legal level of control for all funds. Administrative control is maintained through the establishment of more detailed line-item budgets.
- Budgets are adopted by the City Council at the activity level. The City Manager has the authority to transfer necessary amounts between activities within the same department of any fund and make any adjustments which do not affect the ending fund balance. Transfers between departments must be approved by the City Council.
- Supplemental appropriations for additional expenditures, which require an appropriation of available fund balance, must be approved by the City Council.
- Budgeted amounts are as originally adopted or as amended by the City Council during the year.
- Appropriations for operations lapse at yearend. Appropriations for continuing projects are incorporated in the budget of the ensuing year. The City reserves fund balances for these items.

Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

The City considers cash on hand and demand deposits, restricted cash deposits, and short-

(Continued)

term investments with maturities of three months or less when purchased to be cash for the statement of cash flows.

2. Investments

Investments are reported at fair value, except that commercial paper and U.S. Treasury and Agency obligations with a remaining maturity at the time of purchase of one year or less are shown at amortized cost.

3. Due From Other Governmental Units

Amounts due from units include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenues at the time reimbursable project costs are incurred. Revenues received in advance of project costs being incurred are deferred.

4. Inventories and Prepaid Items

Inventories are accounted for using the consumption method and are valued at cost (first-in, first-out).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Restricted Assets

Proprietary Funds, because of certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, storm sewers, etc.) are reported in the applicable governmental or business-type activities columns of the government-wide financial statements.

Capital assets are defined by the City as real or personal property that has a cost equal to or greater than an established capitalization

threshold and has an estimated useful life of three or more years (with the exception of police cruisers at two and one half years). On June 20, 2006, a new capitalization policy was established by the City changing the capitalization threshold from \$1,500 or more to the following:

| Capital Asset Category | |
|-------------------------------------|--------------|
| Capitalization Threshold | <u>Years</u> |
| Land and Land Improvements | |
| Capitalize All | |
| Buildings and Building Improvements | |
| \$50,000 | 10-20 |
| Improvements other than Buildings | |
| \$15,000 | 10-66 |
| Equipment and Vehicles | |
| \$5,000 | 2.5-20 |
| Infrastructure | |
| \$50,000 | 20-66 |

All capital assets are valued at historical cost or estimated historical cost where actual cost information is not available (i.e., infrastructure assets purchased or constructed prior to July 1, 2001). Infrastructure assets have been included in the current year acquisitions. Donated capital assets are recorded at their fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially increase asset lives are not capitalized. Major outlays for capital assets are capitalized as projects are constructed.

Depreciation of all exhaustible capital assets used by the City is charged as an expense against its various functions. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets (see table above).

7. Other Assets

The City is amortizing the unrealized losses on bond refinancing as a component of interest expense in a systematic and rational manner over the remaining life of the new debt. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt, notes, and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund types statements of net assets.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs during the current period. The face amount of newly issued debt is reported as other financing sources. Premiums and discounts are reported as other financing sources (uses) while issuance costs are reported as expenditures.

9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition or construction of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations from other governments.

Revenues, Expenditures and Expenses

1. Property Taxes

The City bills and collects its own property taxes. City property taxes attach as an enforceable lien on property as of July 1. Taxes are levied on July 1 and are due without penalty on or before August 31. Uncollected real property taxes as of March 1 are turned over by the City to Kent County for collection. The County advances the City 100% of these delinquent taxes. Collection of delinquent personal property taxes as of March 1 remains the responsibility of the City Treasurer. Since all City property taxes levied are current receivables, tax revenues are recognized when levied.

The City also acts as the billing and collection agent for Kent County, the State of Michigan and the school districts within the City limits. Portions of the school district taxes are billed with the City taxes on the July 1 levy.

The remainder of the school district taxes and all Kent County taxes are billed on December 1 and are due without penalty on February 14. Taxes collected on behalf of the school districts and the County are accounted for in designated agency funds. Uncollected school district and County real property taxes as of March 1 are also turned over to Kent County for collection. The County advances payment for these taxes directly to the school districts.

The state taxable value of real and personal property, excluding \$119,590,352 under the Industrial Facilities and Commercial Facilities Tax Act, located in the City at December 31, 2005 totaled \$1,943,859,590. The tax levy for the year was based on the following rates:

(Continued)

| | Millage Rate Used | Authorized Millage Rate by Either State Law or City Charter |
|---------------------------------------|-------------------------|---|
| General operating | 4.6695 | 5.00 |
| Fire | 0.7500 | 0.75 |
| Police | 1.2500 | 1.25 |
| Parks and Recreation | 1.5000 | 1.50 |
| Sidewalk Snow Removal | 0.1500 | 0.20 |
| Yard Waste Disposal | 0.1500 | 3.00 |
| Library | 0.0800 | 0.39 |
| Debt Service | 0.2900 | As required for Debt Service |
| Street, Sewer, and Water Improvements | 1.8678 | 2.00 |

2. Internal Balances

During the course of normal operations the City has numerous transactions between funds, including expenditures and transfers of resources to provide services and construct assets.

Charges for insurance and equipment rental to various City departments and funds are recognized as operating revenue by the Internal Service Funds. The various funds record these payments as expenditures/expenses.

The General Fund provides administrative services to the Proprietary Funds, Internal Service Funds, Inspections Fund, and the Major and Local Street Funds. In the fund financial statements, the amounts charged for these services are recognized as revenue by the General Fund and as expenditures or expenses by the funds receiving the services. In the government-wide financial statements, the amounts received for these services are eliminated.

The Proprietary Funds supply water and sewage disposal to the General Fund. Amounts charged are recorded as operating revenues and expenditures, respectively.

3. Compensated Absences

City employees are granted vacation and sick leave in varying amounts based on length of service. General employees and firemen can accumulate three years' entitlement of vacation

days, and police are allowed an unlimited accumulation of vacation. Upon termination, employees are paid for unused vacation at their current rates. Sick leave is accumulated at the rate of one day per month of employment. Unused sick leave accumulates from year to year to an unlimited amount. Upon termination, employees are paid for their accumulated sick leave at their current rates according to the following schedule:

| General employees | 1 day for every 2 days accumulated with no limit when employed 5 years |
|-------------------------------------|---|
| Dispatchers and telephone operators | 1 day for every 2 days accumulated with no limit when employed 10 years |
| Firefighters | 1 day for every 2 days accumulated with no limit when employed 5 years |
| General and fire administrative | 1 day for every 2 days accumulated with no limit |
| Police and police administrative | 1 day for every 2 days accumulated with no limit when employed 10 years |

It is the City's policy to recognize the cost of vacation pay and sick leave at the time the liability is incurred, including salary related payments. In the Governmental Funds financial statements only the matured liability for compensated absences is reported. The total

liability is reported in the government-wide and proprietary fund financial statements.

NOTE C - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Expenditures in Excess of Appropriations

The following fund had expenditures in excess of appropriations for the year ended June 30, 2006:

In the Special Assessments Debt Service Fund expenditures exceed appropriations by \$198,778.

During fiscal year 2006, the City sold special assessment bonds. While the sale was authorized and approved by Council, a budget was not adopted for the repayment of the special obligation debt which resulted in excess expenditures in the Special Assessments Debt Service Fund.

The Capital Improvement Capital Project Fund adopted a deficit budget of \$ 7,482,543. Council adopts the capital improvement fund budget only for the current year. This budget reflected a positive balance when adopted. The prior year budgets are considered to be project length and are not readopted by Council. In carrying forward balances into the current year accounts, only expenditure amounts were brought forward. Anticipated revenue amounts were not brought forward even though they existed.

Compliance with the Single Audit Act Amendments of 1996

Procedures performed to test compliance relating to federal assistance programs as required by the Single Audit Act Amendments of 1996 and related findings are detailed in a separate report. There were no significant findings or questioned costs included in that report.

NOTE D - CASH AND INVESTMENTS

Deposits

Statutes require that certificates of deposit, savings accounts, depository accounts and depository receipts are made with banks doing and having a place of business in the State of Michigan and who are also members of a federal or national insurance corporation.

Custodial Credit Risk Related to Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City does not have a deposit policy for custodial credit risk. At June 30, 2006, the City's bank balance was \$29,283,895 of which \$27,941,486 was exposed to custodial credit risk since it was uninsured and uncollateralized.

Investments

Statutes authorize the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services, bankers' acceptances of U.S. banks, United States government or federal agency obligation repurchase agreements, obligations of the State of Michigan or any of its political subdivisions rated as investment grade by not less than one standard rating service and mutual funds composed of the types of investment vehicles named previously. The Pension Trust Fund is also authorized to invest in accordance with Public Act 45 of 1996.

Interest Rate Risk

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have an investment policy that limits maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2006, the City had the following investments and maturities:

(Continued)

| · | | | Maturity | | |
|-------------------------|----------------|----------------------|---------------|-------------------|-----------------------|
| Investment Type | Fair Value | Less Than 1 Year | 1-5 Years | 6-10 Years | More Than 10 Years |
| Mutual Funds | \$ 48,059,016 | \$ 48,059,016 | \$ - | \$ - | \$ - |
| Municipal Bonds | 508,950 | = | 508,950 | - | - |
| Corporate Bonds | 22,217,153 | 2,441,741 | 12,563,256 | 4,061,281 | 3,150,875 |
| Foreign Corporate Bonds | 991,160 | - | - | 523,160 | 468,000 |
| Negotiable CDs | 2.988,179 | 1,823,307 | 1,164,872 | - | - |
| Government Agencies | 78,178,839 | 24,123,362 | 39,402,361 | <u>11,525,359</u> | <u>3,127,757</u> |
| Total | \$ 152,943,297 | <u>\$ 76,447,426</u> | \$ 53,639,439 | \$ 16,109,800 | \$ 6,746,632 |

Credit Risk

Credit Risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The City does not have an investment policy to mitigate credit risk. At June 30, 2006, the City had the following credit ratings:

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have an investment policy that limits the amount that may be invested in any one issuer. The City minimizes concentration of credit risk by investing primarily in U.S. government guaranteed and pooled investments. Excluding U.S. government guaranteed, mutual fund and pooled investments, no single investment exceeded 5% of total investments at June 30, 2006.

Custodial Credit Risk

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. At June 30, 2006, \$73,867,171 of the Retirement System's investments were uninsured, held by the counterparty and not registered in the Plan's name. The City had no investments that were subject to custodial credit risk.

Foreign Currency Risk

Foreign Currency Risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. In general, the foreign currency exposure resulting from international investments is not hedged. This

exposes the portfolio to foreign currency risk, which is not expected to harm or help the performance of the fund in a significant way over the long term. At June 30, 2006, the City of Wyoming had the following foreign investments:

| | | | _ |
|--------------------|--------------------------|-----------|---------------|
| Investment Type | Currency Denomination | Maturity | USD Amount |
| Equity | Cayman | | |
| • • | Islands | | \$538,144 |
| Equity | Switzerland | | 724,020 |
| Equity | Canada | | 334,003 |
| Equity | Puerto Rico | | 109,552 |
| Equity | Taiwan | | 96,384 |
| Equity | United | | , |
| | Kingdom | | 126,050 |
| Corporate | | | • |
| Bond | Netherlands | 5/23/2013 | 523,160 |
| Corporate | | | · |
| Bond | Netherlands | 1/21/2020 | 468,000 |
| | | | |

Securities Lending Risk

As of June 30, 2006, the City of Wyoming Retirement System had the following securities lending investments:

| Investment Type | Fair Value of Loaned Securities Collateralized by Cash Collateral | Cash Collateral |
|--|--|------------------------------------|
| U.S. Corporate Fixed U.S. Government and Agencies U.S. Equities | \$ 449,620 486,716 4,835,955 | \$ 461,100 496,875 4,974,712 |
| Total | \$ 5,772,291 | \$ 5,932,687 |

State statutes and board of trustees policies permit the City of Wyoming Retirement System to lend its securities to broker-dealers with a simultaneous agreement to return the collateral for the same securities in the future. During the year ended June 30, 2006, the Retirement System loaned common stock and corporate bonds and received cash as collateral. All securities loan agreements can be terminated at the discretion of the agent. The agent is not liable for any loss or damage resulting from the lending transactions.

At year-end, the Retirement System had no credit risk exposure to borrowers since the amount the Retirement System owed the borrowers exceeded the amount the borrowers owed the Retirement System. In addition, the Retirement System had no custodial credit risk exposure since all collateral was invested in an investment pool.

NOTE E - RECEIVABLES AND PAYABLES

Receivables and payables between primary government and component units at June 30, 2006 are:

| | ue From Imponent Unit | Due to Primary vernment |
|--|-----------------------------|-------------------------------|
| General Fund Wyoming Housing Commission Timing difference due to component unit with different fiscal year | \$ 76,078 - - | \$ - - 76,078 |
| | \$ 76,078 | \$ 76,078 |

(Continued)

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2006 was as follows:

Primary Government

| | Balance | A.J.J.L. | Datizamento | Balance June 30, 2006 |
|--|--|------------------|----------------|--------------------------|
| | July 1, 2005 | Additions | Retirements | Julie 30, 2000 |
| Governmental Activities | | | | |
| Capital assets not depreciated: | * 0.000.000 | e 240.672 | \$ 2,550 | \$ 4,306,813 |
| Land | \$ 3,998,690 | \$ 310,673 | р 2,000 | 9,355,185 |
| Rights of way | 9,355,185 | - | 2,267,549 | 7,916,852 |
| Construction in process | 4,486,702 | 5,697,699 | 2,207,549 | 7,910,032 |
| Capital assets being depreciated: | | 4 005 047 | | 102 505 175 |
| Infrastructure | 101,789,958 | 1,805,217 | - | 103,595,175 |
| Buildings | 36,347,414 | 279,895 | 279,605 | 36,347,704 |
| Improvements other than buildings | 3,558,742 | 340,632 | 177,927 | 3,721,447 |
| Equipment | 8,139,941 | 637,610 | 1,078,494 | 7,699,057 |
| Vehicles | 10,936,203 | <u>1,158,183</u> | 1,055,171 | 11,039,215 |
| Totals at historical cost | 178,612,835 | 10,229,909 | 4,861,296 | 183,981,448 |
| Less accumulated depreciation for: | | • | | |
| Infrastructure | 41,159,729 | 2,114,174 | - | 43,273,903 |
| Buildings | 9,828,141 | 1,390,605 | 192,337 | 11,026,409 |
| Improvements other than buildings | 1,974,914 | 184,129 | 96,469 | 2,062,574 |
| Equipment | 5,632,322 | 657,235 | 898,534 | 5,391,023 |
| Vehicles | 6,992,309 | 918,962 | 1,032,529 | <u>6,878,742</u> |
| Total accumulated depreciation | 65,587,415 | 5,265,105 | 2,219,869 | 68,632,651 |
| Governmental Activities - Net Capital Asset | ts \$113.025.420 | \$ 4,964,804 | \$ 2,641,427 | \$ 115,348,797 |
| Governmental Activities - Net Suprairy 1888. | | | | |
| Depreciation expense was charged to govern | mental functions as | follows: | | \$ - |
| Legislative | | | | 33,347 |
| Judicial | | | | 675,077 |
| General government | | | | 883,581 |
| Public safety | | | | 2,118,276 |
| Public works | | | | 388,504 |
| Recreation and culture | | 4 | | 300,504 |
| Capital assets held by the government's charged to the various functions base | internal service tur sed on their usage | of the assets | | 1,166,320 |
| Total depreciation expense | | | | \$ 5,265,105 |
| Total depresentation expense | | | | _ |

| | Balance | | | Balance |
|---|----------------|---------------|--------------|----------------|
| _ | July 1, 2005 | Additions | Retirements | June 30, 2006 |
| Business-Type Activities | | | | |
| Capital assets not depreciated: | | | | |
| Land | \$ 1,852,506 | \$ 112,390 | \$ 107,310 | \$ 1,857,586 |
| Construction in process | 12,608,289 | 10,893,838 | 7,822,794 | 15,679,333 |
| Capital assets being depreciated: | | | | |
| Buildings | 31,572,839 | 1,722,892 | - | 33,295,731 |
| Improvements other than buildings | 136,254,979 | 6,350,095 | 10,000 | 142,595,074 |
| Equipment | 21,203,070 | 2,504,362 | 647,364 | 23,060,068 |
| Vehicles | 31,092 | | 3,444 | 27,648 |
| Fotals at historical cost | 203,522,775 | 21,583,577 | 8,590,912 | 216,515,440 |
| ess accumulated depreciation for: | | | | |
| Buildings | 16,536,252 | 1,474,810 | 10,000 | 18,001,062 |
| Improvements other than buildings | 44,853,872 | 2,697,794 | - | 47,551,666 |
| Equipment | 16,250,369 | 815,673 | 560,087 | 16,505,955 |
| Vehicles | 19,522 | 2,490 | 5,200 | 16,812 |
| otal accumulated depreciation | 77,660,015 | 4,990,767 | 575,287 | 82,075,495 |
| Business-Type Activities - Net Capital Assets | \$ 125.862.760 | \$ 16,592,810 | \$ 8,015,625 | \$ 134,439,945 |

The remainder of this page intentionally left blank.

(Continued)

Component Units

| | Begi | Balance nning of Year | | dditions | Re | tirements | Balance End of Year | | |
|--|------|--------------------------|----|----------|----|-----------|------------------------|-----------|--|
| Wyoming Housing Commission | | | | | | | | | |
| Capital assets not depreciated: Land | \$ | 609,714 | \$ | _ | \$ | _ | \$ | 609,714 | |
| Construction in progress | Ψ | - | • | 391,786 | • | - | | 391,786 | |
| Capital assets being depreciated: | | | | | | | | | |
| Buildings | | 7,649,688 | | 717 | | 181,265 | | 7,469,140 | |
| Leasehold improvements | | _ | | 1,690 | | - | | 1,690 | |
| Equipment | | 460,384 | | 38,436 | | 19,680 | | 479,140 | |
| Totals at historical cost | | 8,719,786 | | 432,629 | | 200,945 | | 8,951,470 | |
| Total accumulated depreciation | | 4,386,409 | | 237,698 | | 19,997 | | 4,604,110 | |
| Wyoming Housing Commission - | | | | | | | | | |
| net capital assets | | 4,333,377 | | 194,931 | | 180,948 | | 4,347,360 | |
| Wyoming Downtown Development Authority Capital assets not depreciated: | | | | | | | | | |
| Land | | 44,958 | | | | | | 44,958 | |
| Capital Assets - Component Units | \$ | 4,378,335 | \$ | 194,931 | \$ | 180,948 | \$ | 4,392,318 | |

NOTE G - LONG-TERM OBLIGATIONS

The following is a summary of individual issues comprising long-term obligations of the City at

June 30, 2006 and the changes therein for the year then ended.

Primary Government

| | Interest Rates | Balances Beginning of Year | | Additions | | Deductions | | Balances End of Year | | Due Within One Year | |
|----------------------------|--------------------|-------------------------------|-----------|-----------|---|------------|---------|-------------------------|-----------|------------------------|---------|
| Governmental Activities: | | | | | | | | | | | |
| General Obligation Bonds | | | | | | | | | | | |
| 1996 | 5.00% - 5.50% | \$ | 212,831 | \$ | - | \$ | 39,677 | \$ | 173,154 | \$ | 37,878 |
| 1997 | 4.70% - 5.00% | | 309,623 | | - | | 44,655 | | 264,968 | | 47,633 |
| 1998 | 4.30% - 4.80% | | 461,199 | | - | | 51,007 | | 410,192 | | 53,325 |
| General Obligation Library | / Bonds | | | | | | | | | | |
| 2000 | 5.25% - 5.375% | | 4,730,000 | | - | | 365,000 | | 4,365,000 | | 385,000 |
| Michigan Transportation G | Seneral Obligation | Bond | s | | | | | | | | |
| 1996 | 4.50% - 6.50% | | 2,060,000 | | - | | 295,000 | | 1,765,000 | | 315,000 |
| 1997 | 4.65% - 5.00% | | 1,855,000 | | - | | 235,000 | | 1,620,000 | | 245,000 |
| 1998 | 4.30% - 4.75% | | 1,010,000 | | - | | 115,000 | | 895,000 | | 115,000 |
| 1999 | 4.80% - 4.85% | | 915,000 | | - | | 85,000 | | 830,000 | | 90,000 |
| 2001 | 4.125% - 5.15% | | 680,000 | | - | | 40,000 | | 640,000 | | 40,000 |
| 2002 | 3.00% - 4.65% | | 1,160,000 | | - | | 65,000 | | 1,095,000 | | 70,000 |

(Continued)

| | Interest Rates | Balances Beginning of Year | | Additions | | Deductions | | Balances End of Year | | Due Within One Year |
|-----------------------------|------------------------------------|-------------------------------|--------|--------------|----|------------|----|-------------------------|----|------------------------|
| Special Assessment Ger | | | | 7 to ditions | | Deductions | | Elid of Year | _ | One Year |
| 1996 | 5.10% - 5.50% | | ÷ | | | 45.000 | _ | | | |
| 1997 | 4.70% - 5.00% | , | \$ | - | \$ | | \$ | 185,000 | \$ | 50,000 |
| 1998 | 4.30% - 4.80% | 465,000 | | - | | 75,000 | | 390,000 | | 80,000 |
| 2002 | | 885,000 | | - | | 115,000 | | 770,000 | | 115,000 |
| 2002 | 2.45% - 4.40% | 965,000 | | - | | 85,000 | | 880,000 | | 80,000 |
| 2005 | 2.50% - 4.50% | 525,000 | | - | | 45,000 | | 480,000 | | 40,000 |
| | 3.50% - 4.30% | - | | 8,105,000 | | 120,000 | | 7,985,000 | | 575,000 |
| Municipal Purchase Agre | | | | | | | | | | |
| 2001 | 4.27% | 199,750 | | - | | 199,750 | | - | | - |
| Building Authority Bonds | | | | | | | | | | |
| 1997 | 4.75% - 4.80% | 495,000 | | - | | 240,000 | | 255,000 | | 255,000 |
| 1998 | 4.40% - 4.45% | 615,000 | | - | | 300,000 | | 315,000 | | 315,000 |
| 2000 | 5.375% | 1,465,000 | | - | | 270,000 | | 1,195,000 | | 280,000 |
| 2005 | 3.50% - 5.00% | 13,070,000 | | - | | 80,000 | | 12,990,000 | | 25,000 |
| Compensated Absences | | 3,552,898 | | 349,292 | | 161,072 | | 3,741,118 | | 551,538 |
| Workers Compensation C | Claims | 1,815,522 | | 91,519 | | 567,540 | | 1,339,501 | | 220,994 |
| Total Governmental A | Activities | \$ 37,676,823 | \$ | 8,545,811 | \$ | 3,638,701 | | 42,583,933 | | |
| Business-Type Activities: | | | | <u> </u> | _ | | _ | | ÷ | |
| Contracts Payable: | | | | | | | | | | |
| Kent County DPW, Wy | oming Water Supp | | | | | | | | | |
| 1993 | 5.45% - 7.15% | | \$ | - | \$ | 750,000 | \$ | 2,445,000 | \$ | 785,000 |
| Kent County DPW, Wy 1995 | oming Water Supp 4.75% - 5.375% | ly Bonds 355,000 | | | | 355,000 | | | | |
| Kent County DPW, Wy | | ly Bonds | | - | | 333,000 | | - | | 380,000 |
| 2004 | 2.75% - 4.00% | 5,305,000 | | - | | 55,000 | | 5,250,000 | | 435,000 |
| Water Supply System Rev | venue Ronds | ,, | | | | 00,000 | | 3,230,000 | | 435,000 |
| 1996 | 5.30% - 5.85% | 25 000 | | | | | | | | |
| 1997 | | 25,000 | | - | | 25,000 | | - | | - |
| 1998 | 4.95% - 5.50% | 90,000 | | - | | 45,000 | | 45,000 | | 45,000 |
| 1999 | 4.80% - 5.00% | 130,000 | | - | | 65,000 | | 65,000 | | 65,000 |
| 2001 | 5.05% - 5.30% | 440,000 | | - | | 30,000 | | 410,000 | | 30,000 |
| 2001 | 4.50% - 5.00% | 7,190,000 | | = | | 275,000 | | 6,915,000 | | 285,000 |
| | 3.00% - 4.70% | 3,785,000 | | = | | 25,000 | | 3,760,000 | | 25,000 |
| 2003 | 3.80% - 4.90% | 955,000 | | - | | 40,000 | | 915,000 | | 40,000 |
| 2005 Refunding | 2.90% - 4.10% | 2,070,000 | | - | | 25,000 | | 2,045,000 | | 60,000 |
| 2005 CIP Bond Water | 3.50% - 5.00% | - | | 3,860,000 | | - | | 3,860,000 | | 100,000 |
| Sewage Disposal System | Revenue Bonds | | | | | | | | | |
| 1996 | 4.95% - 5.65% | 50,000 | | - | | 50,000 | | - | | 50,000 |
| 1997 | 5.00% - 5.25% | 290,000 | | - | | 140,000 | | 150,000 | | 150,000 |
| 1998 | 4.50% - 5.00% | 455,000 | | - | | 225,000 | | 230,000 | | 230,000 |
| 1999 | 4.95% - 5.30% | 655,000 | | - | | 30,000 | | 625,000 | | 35,000 |
| 2002 | 3.00% - 4.60% | 3,590,000 | | - | | 120,000 | | 3,470,000 | | 130,000 |
| 2003 | 3.50% - 4.90% | 565,000 | | - | | 25,000 | | 540,000 | | 25,000 |
| 2005 Refunding | 3.50% - 5.00% | 5,705,000 | | _ | | 15,000 | | 5,690,000 | | 60,000 |
| 2005 CIP Bond Sewage | | | | 41,450,000 | | - | | 41,450,000 | | 650,000 |
| General Obligation Bonds | Water Supply | | | | | | | | | |
| 1996 | 5.00% - 5.50% | 9,249 | | - | | 1,727 | | 7,522 | | 1,725 |
| 1997 | 4.65% - 5.00% | 11,982 | | - | | 1,732 | | 10,250 | | |
| 1998 | 4.30% - 4.80% | 131,009 | | - | | 14,476 | | 116,533 | | 1,845 |
| | | .5.,500 | | = | | 17,470 | | 110,533 | | 15,134 |

(Continued)

| | Interest Rates | Beg | Balances inning of Year | Additions | | eductions_ | E | Balances End of Year | | Oue Within One Year |
|--|----------------------|---------|----------------------------|------------------|----|------------|-----------|-------------------------|-----------|------------------------|
| General Obligation Bonds Sew | er Supply | | | | | | | | | |
| | 0% - 5.50% | \$ | 72,915 | \$ - | \$ | 13,596 | \$ | 59,319 | \$ | 13,595 |
| 1997 4.6 | 5% - 5.00% | | 198,394 | - | | 28,613 | | 169,781 | | 30,522 |
| 1998 4.3 | 0% - 4.80% | | 402,806 | - | | 44,517 | | 358,289 | | 46,541 |
| Compensated Absences | | | 1,155,089 | 100,159 | | 49,339 | | 1,205,909 | | 157,567 |
| Total Business-Type Activities | | \$ | 36,831,444 | \$ 45,410,159 | \$ | 2,449,000 | <u>\$</u> | 79,792,603 | <u>\$</u> | 3,846,929 |
| Component Units: Wyoming Downtown Developm Promissory Note 5.6 | ent Authority 25% | , \$ | 206,970 | \$ - | \$ | 32,409 | \$ | 174,561 | \$ | 34,307 |
| Wyoming Housing Commission | า | | | * | | | | | | |
| | 0% | | - | - | | - | | | | - |
| Compensated Absences | | _ | 64,644 | 8,293 | | <u> </u> | _ | 72,937 | . — | 7,294 |
| | | | 271,614 | \$ 8,293 | s | 32,409 | s | 247,498 | S | 41,601 |

The General Obligation Bond Issues are backed by the full faith and credit of the City. Current debt service requirements are funded by City property tax revenues and are maintained in various Debt Service Funds. The Special Assessment Bonds are backed by the limited tax full faith and credit of the City. Debt service requirements are funded by special assessment levies. The Transportation Bonds are backed by the limited tax full faith and credit of the City. Debt service requirements are funded by transportation monies. The City pays the current debt service requirements on the bonds issued by the Wyoming Building Authority through lease payments to the Building Authority. The City has pledged its limited full faith and credit on these bonds. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

Recorded in the Enterprise Funds are general obligation contracts amounting to \$8,416,694 at June 30, 2006 for which the City's full faith

and credit is pledged. It is anticipated that the principal and interest on this debt will continue to be serviced by these funds. Revenue Bond Issues are collateralized by the capital assets constructed from bond proceeds. The City ordinance authorizing the issuance of revenue bonds requires that separate bank accounts be established and funded annually for bond and interest requirements and for a replacement and maintenance reserve. The required amounts have been set aside by the City and are reflected as restricted assets on the balance sheet.

The compensated absences liability attributable to governmental activities will be liquidated by the City's governmental and internal service funds.

The annual requirements to pay principal and interest on the long-term bonds, notes, and contracts outstanding at June 30, 2006 are as follows:

| Year | Governmental Activities | | | Business-T | уре / | Activities | | Component Unit | | | | | | | |
|-----------|-------------------------|------------|----|------------|------------------|------------|------------|----------------|----------|----|--------|--|------------|----------|--|
| Ending | | Principal | | Interest | Principal | | Interest | | Interest | | | | <u>-</u> _ | Interest | |
| 2007 | \$ | 3,215,621 | \$ | 1,728,070 | \$ 3,259,379 | \$ | 3,448,036 | \$ | 34,307 | \$ | 9,070 | | | | |
| 2008 | | 3,319,524 | | 1,585,216 | 3,410,475 | | 3,312,286 | • | 36,297 | • | 7.080 | | | | |
| 2009 | | 3,424,819 | | 1,443,260 | 3,555,180 | | 3,175,880 | | 38,440 | | 4,937 | | | | |
| 2010 | | 3,526,406 | | 1,295,344 | 2,983,593 | | 3,053,919 | | 40,691 | | 2,686 | | | | |
| 2011 | | 3,536,827 | | 1,163,695 | 3,088,171 | | 2,938,706 | | 24.826 | | 477 | | | | |
| 2012-2016 | | 13,555,142 | | 3,467,814 | 17,124,858 | | 12,699,061 | | - | | - | | | | |
| 2017-2021 | | 6,924,975 | | 720,419 | 16,960,000 | | 9,055,122 | | - | | _ | | | | |
| 2022-2026 | | - | | - | 15,955,000 | | 5,179,220 | | - | | - | | | | |
| 2027-2030 | | <u> </u> | | - | 12,250,038 | | 1,556,250 | | | | | | | | |
| | \$ | 37,503,314 | \$ | 11,403,818 | \$ 78,586,694 | s | 44,418,480 | \$ | 174,561 | \$ | 24,250 | | | | |

The City of Wyoming is a party to certain agreements relating to Economic Development First Mortgage Revenue Bonds issued by the Economic Development Corporation of the City of Wyoming. The City has also issued Industrial Development Revenue Bonds under the Michigan Industrial Development Revenue Bond Act of 1963. These bonds are secured by the assets constructed or purchased with the bond proceeds and are generally guaranteed by the recipient organization and its officers. These bonds are not a liability of the City. The promissory note issued by the Wyoming Downtown Development Authority was issued in anticipation of Tax Increment Revenues on taxable properties in the Development area. The City has not pledged its limited full faith and credit on this promissory note.

The legal debt margin for general obligation bonds as of June 30, 2006 is \$194,063,261.

Refunded Bonds

In a prior year the City advance refunded several bond issues. In all cases the proceeds were used to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on the refunded debt. At June 30, 2006 the balances outstanding are as follows:

Building Authority - \$13,270,000 Water Fund - \$1,380,000 Sewer Fund - \$5,130,000

NOTE H - PENSION TRUST FUND

Plan Description

All full-time employees of the City are covered by the City of Wyoming Retirement System, a single employer, and defined benefit public employees retirement system created and administered under Chapter 58 of the City Code. The system does not issue separate financial statements.

Defined Benefit Plan

Employees who retire at or after age 60 (General), 50 (Police), or 55 (50, effective 9/6/05) (Fire) with 10 or more years of credited service (5 or more years for administrative employees) are entitled to annual retirement benefits, payable monthly for life, in an amount equal to 2.35% (Police and Administrative), 2.35% (General and Fire) and 2.25% (Police Dispatchers), of their final average salary times years of credited service. There is an annual post retirement increase for police command members at least 60 years of age who retire after July 1, 1992 and general administrative members equal to 40% of the average annual increase in the CPI. The increase is limited to 5% per year.

(Continued)

Post-Retirement Health Insurance Premiums

General members - \$10 (\$15 effective 2/6/06) per month times years of credited service, not to exceed 25 years, payable to age 60. For members hired before 2/6/06, after age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of benefit selected. General Dispatchers and Telephone Operators - \$15 per month times years of credited service, not to exceed 25 years, payable to age 60. Police members (nonsupervisory) - \$10 (\$15 effective 7/1/05) per month times years of credited service, not to exceed 30 years, payable to age 60. For members hired before 9/6/05, after age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Police members (command) - \$15 (\$20, effective 2/20/06) per month times years of credited service, not to exceed 30 years, payable to age 60. For members hired before 7/1/05, after age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Fire members - \$10 (\$15, effective 9/6/05) per month times years of credited service, not to exceed 30 years, payable to age 60. For members hired before 7/1/05, after age 60, total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected. Administrative members hired before 7/1/04 of all groups - total premium amount for the lifetime of the retiree and spouse regardless of optional form of retirement benefit selected.

For administrative employees hired after the above specified date, the City shall contribute 4% per year towards the cost of the insurance premium once the employee has completed 5 years of service. For other groups, the City shall contribute 24% after 10 years of service plus 4% per year for each year of service thereafter. Except for members of the Dispatchers and Telephone Operators, whose coverage ceases at age 65, coverage will be for life for the member and spouse regardless of the form of benefit or retirement plan.

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving benefits

Active plan participants

Total

298 395 693

Includes both vested and non-vested participants.

While the City has not elected to early implement GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, it had a valuation of its retirement plan performed using the guidelines specified in GASB Statement No. 45 as of June 30, 2005. Based on this valuation, the City had an unfunded accrued liability of \$57,815,449.

Significant Accounting Policies

Basis of Accounting

The financial statements of the Retirement System have been prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Contributions from the City have been reflected when due and a formal commitment and/or statutory/contractual requirement to provide the contribution has been made. Payments to members have been reflected when due and payable in accordance with the terms of the plan.

Method Used to Value Investments

Investments are reported at fair value.
Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Funding Policy

Police members (non-supervisory) are required to contribute 1.59% of their gross pay to the plan. All other employees of the City are not required to contribute to the plan. The City is required to make annual contributions based on an actuarially computed percentage of covered wages in amounts sufficient to cover normal

costs of benefits and amortize the prior service liabilities over a period of future years.

During the year ended June 30, 2006 contributions from the City totaling \$2,048,261 were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of June 30, 2004. The employer contributions consisted of \$2,942,178 for normal cost and \$(893,917) for amortization of the unfunded actuarial accrued liability. Employer contributions represented 8.35% for June 30, 2004 covered payroll.

Legally required reserves are recorded as follows:

Reserved for:

| \$ 656,024 |
|------------|
| 49,164,382 |
| 65,565,328 |
| 4,196,888 |
| |

Concentrations

As of June 30, 2006, no single investment exceeded 5% of plan assets.

Annual Pension Costs

The City's funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due.

The normal cost and actuarial accrued liability are determined using an individual entry age normal cost method. Unfunded actuarial accrued liabilities for pensions were amortized as a level percent of payroll over a period of 7 years. The City's annual pension cost is equal to the annual required contribution as reflected in the schedule of employer contributions which follows:

Supplementary Information

| Schedule of Funding Progress | | | | | | | |
|------------------------------|----------------|---------------|-----------------|-----------|---------------|------------------|--|
| | (1) | (2) | (3) | (4) | (5) | (6) UAAL as a | |
| A -4!-1 | | Actuarial | Unfunded | | | Percentage | |
| Actuarial | Actuarial | Accrued | AAL | Funded | Annual | of Covered | |
| Valuation | Value of | Liability | (UAAL) | Ratio | Covered | Payroll | |
| Date | Assets | (AAL) | (2) - (1) | (1) / (2) | Payroll | (3) / (5) | |
| 6/30/2000 | \$ 103,402,000 | \$ 84,081,000 | \$ (19,321,000) | 123.0 % | \$ 20,073,000 | (96.3) % | |
| 6/30/2001 | 108,676,000 | 88,504,000 | (20,172,000) | 122.8 | 20,645,000 | (97.7) | |
| 6/30/2002 | 110,715,000 | 94,573,000 | (16,142,000) | 117.1 | 21,336,000 | (75.7) | |
| 6/30/2003 | 111,389,000 | 97,359,000 | (14,030,000) | 114.4 | 22,002,000 | (63.8) | |
| 6/30/2004 | 111,034,000 | 102,175,000 | (8,859,000) | 108.7 | 22,467,000 | (39.4) | |
| 6/30/2005 | 110,582,000 | 106,174,000 | (4,408,000) | 104.2 | 20,881,000 | (21.1) | |
| 6/30/2006 | 113,663,000 | 115,225,000 | 1,562,000 | 98.6 | 22,874,000 | 6.8 | |

During the year ended June 30, 2006, the plan experienced a net change of approximately \$9,051,452 in the actuarial accrued liability. There were no changes in benefit provisions or in actuarial assumptions or methods during the year.

(Continued)

| Sche | dule of Employer Cont | ributions | |
|---------------------------|------------------------------------|---------------------------|--|
| Year Ended June 30, | Annual Contribution Required | Percentage Contributed | |
| 2000 | \$ 1,578,000 | 100 % | |
| 2001 | 1,817,000 | 100 | |
| 2002 | 1,842,000 | 100 | |
| 2003 | 1,531,000 | 100 | |
| 2004 | 1,521,000 | 100 | |
| 2005 | 2,139,000 | 100 | |
| 2006 | 2,483,000 | 100 | |

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the date indicated. Additional information as of the latest actuarial valuation follows:

Valuation date
Actuarial cost method
Amortization method
Remaining amortization period
Asset valuation method
Actuarial assumptions:
Investment rate of return
Projected salary increase
Includes inflation at

June 30, 2006
Entry Age
Level percent of payroll, open
6 years closed pension 30 years health
Open 5 year smoothed market

7.75% 4.5% – 8.5% 4.5%

Defined Contribution (401(a)) Plan

All full time employees, except police officers hired after the listed dates, will be covered under a defined contribution plan. The Plan is administered by the City. The City will contribute 8% of the employee's base pay to the plan. Contributions for the year ended June 30, 2006 were \$393. After 1 year of service, the employees are 100% vested in their account. Employees covered under the defined contribution plan who are members of the General, Fire and Administrative groups may roll their actuarially accrued benefit into the defined contribution plan.

| Administrative | 9/6/05 |
|--------------------------------|---------|
| Fire | 9/6/05 |
| Dispatch & Telephone Operators | 11/7/05 |
| General | 2/6/06 |
| Police Command | 2/20/06 |

NOTE I - RISK MANAGEMENT AND BENEFITS

The City has in place a self-insured risk management program, which encompasses various annual retention levels, depending upon the specific coverage and provides various additional coverage with excess insurance from Michigan Municipal Risk Management Authority (MMRMA). MMRMA also provides claims adjusting services, appraisal services, risk review and training. Workers' compensation insurance provides first-dollar coverage on all claims and the City assumes the first \$15,000 of damages to its vehicles with excess insurance provided by MMRMA up to \$1,500,000. Damages to all other forms of property are established with a \$1,000 deductible, with the City assuming 10% of the next \$100,000 and excess insurance over \$100,000 to \$194,347,000 is provided by MMRMA. Retention for general, public, police professional

and vehicle liability is established at \$500,000, excess insurance with MMRMA provides coverage from \$500,000 to \$15,000,000 and the City assumes total unlimited risk over and above \$15,000,000. The amount of settlements has not exceeded insurance coverage for each of the past three years.

The City manages its risks internally, except for employee life, vision, and dental insurance coverage, and has established assets for claim settlement in its Internal Service Funds. These funds allocate the cost of providing stop-loss insurance, claims servicing and claims payment by charging a "premium" to each fund and organization using various bases depending upon the type of coverage. The charges take into consideration recent trends in actual experience and also make provision for possible catastrophic losses.

Liabilities are established when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend upon such complex factors as inflation, changes in legal positions, and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claims liabilities are periodically reevaluated to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balances of claims liabilities during fiscal years 2005 and 2006 were as follows:

| Year | Beginning of Fiscal Year | Current Year Claims and Changes in Estimates | Claims Payments | End of Fiscal Year | |
|------|-----------------------------|--|--------------------|-----------------------|--|
| 2005 | \$ 1,943,229 | \$ 7,273,101 | \$ 7,400,808 | \$ 1,815,522 | |
| 2006 | 1,815,522 | 6,213,134 | 6,689,155 | 1,339,501 | |

At June 30, 2006, the Insurance Fund held \$9,741,838 in cash, investments and accrued interest receivable. In the normal course of its activities the City becomes a party in various legal actions. Legal counsel and management of the City are of the opinion that the outcome of such actions will not have a material effect on the financial position of the City and, therefore, have not reflected loss reserves in the financial statements.

NOTE J - COMMITMENTS

Construction Projects

At June 30, 2006, the City had commitments related to the sewer plant expansion and rehabilitation of approximately \$29 million.

Grand Valley Regional Biosolids Authority

The City has committed to provide \$2,200,000 for the Grand Valley Regional Biosolids

Authority. For fiscal year 2007, the City has budgeted \$500,000. See Note L.

NOTE K - SECURITIES LENDING

State statutes and board of trustees policies permit the City of Wyoming Retirement System to lend its securities to broker-dealers with a simultaneous agreement to return the collateral for the same securities in the future. During the year ended June 30, 2006, the Retirement System loaned common stock and corporate bonds and received cash as collateral. The carrying and fair value of the securities loaned by the City to the broker at June 30, 2006 was \$5,932,690.

All securities loan agreements can be terminated at the discretion of the agent. In addition, the agent is not liable for any loss or damage resulting from the lending transactions.

At year-end, the Retirement System had no credit risk, as the amount the borrower owed the

(Continued)

Retirement System approximated the amount the Retirement System owed the borrower.

NOTE L – JOINTY GOVERNED ORGANIZATION

The Grand Valley Regional Biosolids Authority (the Authority) was created when the City entered into an agreement with the City of Grand Rapids to operate a joint regional biosolids management project for the disposal of waste from each of the communities' sewer plants. At June 30, 2006, the Authority had assets of \$1,024,118, liabilities of \$1,000,000 and equity of \$24,118.

NOTE M - PRIOR PERIOD ADJUSTMENT

Correction of Accounting Principle – Derived Tax Revenue

State shared revenue collected by the State and remitted to the City is considered a nonexchange transaction – derived tax revenue.

Receivables of derived tax revenues should normally be recognized when the underlying transaction occurs. Payments of State shared revenue have historically been recognized in the month received. The City receives payments for May and June underlying transactions in August. Commencing with fiscal year end June 30, 2006, the City will recognize state shared revenue as a derived tax revenue. As a result, the City has restated fund balance in the General Fund as shown below.

Correction of Accounting Principle – Revenue Recognition

Cable franchise fee income recognition should be recognized as income when the underlying transaction occurs. Cable franchise fee income historically has been recognized on a quarterly basis without regard to the period when the underlying transaction occurs. Commencing with fiscal year end June 30, 2006, the City will recognize cable franchise fee revenue in the period when the underlying transactions occur.

| | Fund Balance June 30, 2005 | Restatement | Fund Balance July 1, 2005 |
|--|-------------------------------|------------------|------------------------------|
| Governmental funds: General fund Other funds | \$ 4,835,039 11,990,111 | \$ 1,331,921 | \$ 6,166,960 11,990,111 |
| Total governmental funds | \$ 16,825,150 | \$ 1,331,921 | \$ 18,157,071 |
| | Net Assets | | Net Assets |
| | June 30, 2005 | Restatement | July 1, 2005 |
| Governmental activities | \$ 104,639,272 | \$ 1,331,921 | \$ 105,971,193 |

Required Supplementary Information

CITY OF WYOMING, MICHIGAN SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL GENERAL FUND

Year Ended June 30, 2006

| | Budge | Budgeted Amounts | | Variance with Final Budget - |
|--|-----------------|------------------|--------------|---------------------------------|
| | 02-1-1 | | (Budgetary | Positive |
| Revenues: | <u>Original</u> | <u>Final</u> | Basis) | (Negative) |
| Taxes: | | | | |
| Property | E 0.202.000 | • | | |
| Industrial/commercial facilities | \$ 9,292,000 | \$ 9,292,000 | \$ 9,216,931 | \$ (75,069) |
| Service charges in lieu of taxes | 300,500 | 300,500 | 296,443 | (4,057) |
| Penalties and interest on | 8,000 | 8,000 | 10,947 | 2, 94 7 |
| delinquent property taxes | 77.000 | | | |
| Trailer fees | 77,000 | 77,000 | 97,646 | 20,646 |
| Tax administration fees | 3,500 | 3,500 | 4,120 | 620 |
| rax auministration fees | 931,000 | 931,000 | 924,356 | (6,644) |
| Total taxes | 10,612,000 | 10,612,000 | 10,550,443 | (61,557) |
| Licenses and permits: | | | | |
| Business licenses | 114,000 | 114,000 | 107,090 | (0.040) |
| CATV fees | 544,000 | 544,000 | • | (6,910) |
| | | 544,000 | 569,606 | 25,606 |
| Total licenses and permits | 658,000 | 658,000 | 676,696 | 18,696 |
| Intergovernmental: | | | | |
| Federal grants | 10,830 | 673,418 | 384,662 | (289.756) |
| State shared revenues | 6,357,700 | 6,357,700 | 6,266,325 | (288,756) |
| State grants | 153,840 | 202,685 | 222,643 | (91,375) |
| Liquor license refunds | 19,500 | 19,500 | 20,873 | 19,958 |
| School's share: | 70,000 | 10,000 | 20,073 | 1,373 |
| Crossing guards | 53,500 | 58,150 | 51,250 | (C 000) |
| School liaison | 97,310 | 97,310 | 138,115 | (6,900) |
| Other | - | 83,750 | 95,046 | 40,805 |
| | | 30,700 | 95,040 | 11,296_ |
| Total intergovernmental | 6,692,680 | 7,492,513 | 7,178,914 | (313,599) |
| Fees and service charges: | | | | |
| Board of appeals | 17,000 | 17,000 | 22,400 | E 400 |
| Industrial facilities tax application fees | 20,000 | 20,000 | 24,599 | 5,400 |
| Planning fees | 20,000 | 20,000 | 30,137 | 4,599 |
| Duplicating services | 14,500 | 14,500 | | 10,137 |
| Interfund services | 3,434,580 | 3,434,580 | 19,669 | 5,169 |
| Police: | 5,707,000 | 3,434,560 | 3,434,580 | - |
| OUIL/OUID cost reimbursement | 28,000 | 20.000 | 04 407 | |
| False alarm fees | | 28,000 | 31,487 | 3,487 |
| Finger print fees | 12,000 | 12,000 | 14,275 | 2,275 |
| Other fees | 900 | 900 | 1,970 | 1,070 |
| Outo, 1993 | 1,200 | 1,200 | 200 | (1,000) |
| Total fees and service charges | 3,548,180 | 3,548,180 | 3,579,317 | 31,137 |

| | | • | | |
|-------------------------------|--------------|--------------|----------------------|-------------------------------|
| | Budge | ted Amounts | Actual Amounts | Variance with Final Budget |
| | | | (Budgetary | Positive |
| | Original | Final | Basis) | (Negative) |
| Revenues (Continued): | | | | |
| Fines and forfeitures: | · | | | |
| Court fines and costs | \$ 1,900,000 | \$ 1,900,000 | \$ 1,859, <u>143</u> | \$ (40,857 |
| Building rental | 135,680 | 137,630 | 149, <u>499</u> | 11,869 |
| Investment earnings | 359,500 | 359,840 | 401,916 | 42,076 |
| Donations | | 2,850 | 3,085 | 235 |
| Miscellaneous | 124,560 | 70,560 | 77,049 | 6,489 |
| Total revenues | 24,030,600 | 24,781,573 | 24,476,062 | (305,51 |
| | 24,030,000 | 2,7,101,510 | 21,110,502 | |
| Expenditures: | | | | |
| Legislative: | | | 04 400 | 4.40 |
| Council | 85,510 | 85,510 | 81,403 | 4,107 |
| Newsletter | 22,000 | 22,000_ | <u>19,247</u> | 2,75 |
| Total legislative | 107,510 | 107,510 | 100,650 | 6,86 |
| Judicial: | | | | |
| District Court: | | | | |
| Court | 1,532,150 | 1,561,620 | 1,452,162 | 109,45 |
| Probation | 339,140 | 344,800 | 340,452 | 4,34 |
| Total judicial | 1,871,290_ | 1,906,420_ | 1,792,614 | 113,80 |
| General government: | | | | |
| Manager | 432,810 | 432,810 | 434,970 | (2,16 |
| Clerk: | 10_10.10 | • | · | · |
| Elections | 78,060 | 87,120 | 80,733 | 6,38 |
| Clerk | 381,980 | 386,380 | 381,716 | 4,66 |
| Finance: | 227,0 | • | | |
| Accounting | 752,010 | 763,020 | 722,676 | 40,34 |
| Treasurer | 333,920 | 337,100 | 325,051 | 12,04 |
| Computer services | 1,595,900 | 1,621,960 | 1,508,301 | 113,65 |
| Human resources | 323,830 | 362,430 | 353,564 | 8,86 |
| Assessor. | 020,000 | | • | • |
| Assessor Assessor | 605,730 | 610,540 | 589,665 | 20,87 |
| Board of review | 4,610 | 4,610 | 3,718 | 89 |
| | 330,000 | 330,000 | 343,123 | (13,12 |
| Legal | · | 107,500 | 105,797 | 1,70 |
| B . L | 106,320 | | 255,701 | 58,79 |
| Purchasing | 040 400 | | | an./9 |
| Central services | 313,180 | 314,500 | | |
| Central services City Hall | 491,040 | 491,040 | 470,074 | 20,96 |
| Central services | | | | |

CITY OF WYOMING, MICHIGAN SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL GENERAL FUND

Year Ended June 30, 2006 (Continued)

| | Budge | eted Amounts | Actual Amounts | Variance with Final Budget - | |
|---------------------------------|------------|--------------|----------------------|---------------------------------|--|
| | Original | Final | (Budgetary Basis) | Positive | |
| Expenditures (Continued): | <u> </u> | 1 11121 | Dasis) | (Negative) | |
| Public safety: | | | | | |
| Police: | | | | | |
| Administrative services | \$ 646,970 | \$ 884,670 | \$ 587,423 | \$ 297,247 | |
| Police building | 883,550 | 884,680 | 854,189 | 30,491 | |
| Records management | 433,130 | 443,550 | 422,670 | 20,880 | |
| Criminal investigation services | 1,904,070 | 1,943,280 | 1,861,787 | 81,493 | |
| Technical support unit | 605,670 | 613,500 | 556,383 | 57,117 | |
| Patrol | 7,219,150 | 7,557,900 | 7,357,836 | 200,064 | |
| Crossing guards | 83,360 | 80,320 | 64,113 | 16,207 | |
| Senior volunteers | 28,500 | 28,500 | 16,248 | 12,252 | |
| Training | 60,000 | 59,670 | 52,019 | 7,651 | |
| Training - Act 302 funds | 22,000 | 46,650 | 24,833 | 21,817 | |
| Communications | 1,409,100 | 1,460,370 | 1,371,067 | 89,303 | |
| Jail. | 575,280 | 575,280 | 516,239 | 59,041 | |
| Total police | 13,870,780 | 14,578,370 | 13,684,807 | 893,563 | |
| Fire: | | | | | |
| Administration | 299,950 | 299,950 | 271,726 | 28,224 | |
| Buildings | 512,020 | 513,970 | 504,371 | 9,599 | |
| Fire fighting | 3,446,920 | 3,625,700 | 3,548,354 | 77,346 | |
| Prevention | 217,730 | 221,030 | 211,336 | 9,694 | |
| Training | 121,860 | 123,710 | 34,213 | 89,497 | |
| Total fire | 4,598,480 | 4,784,360 | 4,570,000 | 214,360 | |
| Planning | 281,860 | 283,460 | 285,798 | (2.338) | |
| Zoning board of appeals | 7,270 | 7,270 | 5,503 | (2,338) 1,767 | |
| Civil defense | 23,610 | 23,610 | 1,868 | 21,742 | |
| Total public safety | 18,782,000 | 19,677,070 | 18,547,976 | <u>1,</u> 129,094 | |
| Public works: | | | | | |
| Leaf disposal | - | 28,150 | 28,980 | (830) | |
| Street lighting | 707,000 | 707,000 | 705,365 | 1,635 | |
| Total public works | 707,000 | 735,150 | <u>734,345</u> | 805 | |
| Health and welfare: | | | | | |
| Economic development | | 38,700 | 31,651 | 7,049 | |

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - | |
|--|-------------------|--------------|----------------------|---------------------------------|--|
| | Original | Final | (Budgetary Basis) | Positive (Negative) | |
| Expenditures (Continued): | | | | | |
| Recreation and culture: | | • | | | |
| Cable TV commission | \$ 201,280 | \$ 201,280 | \$ 201,280 | \$ - | |
| Facilities | | | 870 | 2,110 | |
| Total recreation and culture | 201,280 | 204,260 | 202,150_ | 2,110 | |
| Miscellaneous: | | | | | |
| Compensated absences | 165,300 | 165,300 | 159,993 | 5,307 | |
| Contingency | 29,300 | 172,930 | - | <u>172,930</u> | |
| Total miscellaneous | 194,600 | 338,230 | 159,993 | 178,237 | |
| Total expenditures | 28,182,000 | 29,433,510 | 27,652,502 | 1,781,008 | |
| Deficiency of revenues over expenditures | (4,151,400) | (4,651,937) | (3,176,440) | 1,475,497 | |
| Other financing sources: | | | | | |
| Proceeds from sale of capital assets | - | - | 37,400 | 37,400 | |
| Transfer from: | | | | | |
| Fire Fund | 1,556,600 | 1,556,600 | 1,573,106 | 16,506 | |
| Police Fund | 2,594,800 | 2,594,800 | 2,621,899 | 27,099 | |
| Drug Law Enforcement Fund | | 46,920 | <u>46,920</u> | • | |
| Total other financing sources | 4,151,400 | 4,198,320 | 4,279,325 | <u>81,005</u> | |
| Net change in fund balance | - | (453,617) | 1,102,885 | 1,556,502 | |
| FUND BALANCE, beginning of year, as restated | 6 <u>,166,960</u> | 6,166,960 | 6,166,960 | | |
| FUND BALANCE, end of year | \$ 6,166,960 | \$ 5,713,343 | \$ 7,269,845 | \$ 1,556,502 | |

CITY OF WYOMING, MICHIGAN SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL

SPECIAL REVENUE FUND MAJOR STREET FUND

Year Ended June 30, 2006

| Revenues: Licenses and permits | Original | eted AmountsFinal | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) | |
|--------------------------------------|---------------|-------------------|----------------------------------|---|--|
| Intergovernmental: | \$ 270,000 | \$ 270,000 | \$ 238,872 | \$ (31,128) | |
| Act 51 state shared | 2 000 000 | | | | |
| Fees and service charges | 3,800,900 | 3,800,900 | 3,546,097 | (254,803) | |
| Investment earnings | 57,000 | 57,000 | 61,384 | 4,384 | |
| Miscellaneous | 32,100 | 32,100 | 31,192 | (908) | |
| Miscellaneous | <u>16,500</u> | 16,500 | 71,608 | 55,108 | |
| Total revenues | 4,176,500 | 4,176,500 | 3,949,153 | (227,347) | |
| Expenditures: | | | | | |
| Public works: | | | | | |
| Highways and streets: | | | | | |
| Street maintenance | 1,058,120 | 1,084,430 | 856,944 | 227,486 | |
| Traffic services | 1,142,720 | 1,255,500 | 1,058,002 | 197,498 | |
| Winter maintenance | 689,930 | 689,930 | 643,017 | 46,913 | |
| Street administration | 601,400 | 603,450 | 581,701 | 21,749 | |
| Total expenditures | 3,492,170 | 3,633,310 | 3,139,664 | 493,646 | |
| Excess of revenues over expenditures | 684,330 | 543,190 | 809,489 | 266,299 | |
| Other financing uses: Transfers out: | | | | | |
| Local Street Fund | (800,000) | (800,000) | (800,000) | | |
| Net change in fund balance | (115,670) | (256,810) | 9,489 | 266,299 | |
| FUND BALANCE, beginning of year | 1,570,931 | 1,570,931 | 1,570,931 | | |
| FUND BALANCE, end of year | \$ 1,455,261 | \$ 1,314,121 | \$ 1,580,420 | \$ 266,299 | |

CITY OF WYOMING, MICHIGAN SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL SPECIAL REVENUE FUND

LOCAL STREET FUND

Year Ended June 30, 2006

| | Budget | ted Amounts Final | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) | |
|--|----------------------|-------------------|---|--|--|
| Revenues: | | | | | |
| Licenses and permits | \$ 40,000 | \$ 40,000 | \$ 25,228 | \$ (14,772) | |
| Intergovernmental: | | | | | |
| Act 51 state shared | 1,179,600 | 1,179,600 | 1,095,708 | (83,892) | |
| Fees and service charges | 38,000 | 38,000 | 40,923 | 2,923 | |
| Investment earnings | 47,700 | 47,700 | 48,653 | 953 | |
| Miscellaneous | 2,000 | 2,000 | 9,910 | 7,910 | |
| Total revenues | 1,307,300 | 1,307,300 | 1,220,422 | (86,878) | |
| Expenditures: | | | | | |
| Public works: | | | | | |
| Highways and streets: | | | | | |
| Street maintenance | 1,083,590 | 1,308,300 | 1,078,606 | 229,694 | |
| Traffic services | 272,370 | 345,740 | 256,299 | 89,441 | |
| Winter maintenance | 388,030 | 388,030 | 308,922 | 79,108 | |
| Street administration | 389,940 | 391,360 | 374,461 | <u>16,899</u> | |
| Total expenditures | 2,133,930 | 2,433,430 | 2,018,288 | 415,142 | |
| Deficiency of revenues over expenditures | (826,630) | (1,126,130) | (797,866) | 328,264 | |
| Other financing sources: | | | | | |
| Transfers in: | | | | | |
| Major Street Fund | 800,000 | 800,000 | 800,000 | - | |
| Net change in fund balance | (26,630) | (326,130) | 2,134 | 328,264 | |
| FUND BALANCE, beginning of year | 1,692,316 | 1,692,316 | 1,692,316 | | |
| FUND BALANCE, end of year | \$ 1, <u>665,686</u> | \$ 1,366,186 | \$ 1,694,450 | \$ 328,264 | |

SPECIAL REVENUE FUND PARKS AND RECREATION FUND

| | Budge | ted Amounts | Actual Amounts | Variance with Final Budget - |
|--|--------------|--------------|----------------------|---------------------------------|
| _ | Original | Final | (Budgetary Basis) | Positive (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| Property | \$ 2,985,000 | \$ 2,985,000 | \$ 3,014,276 | \$ 29,276 |
| Industrial/commercial facilities | 96,400 | 96,400 | 95,227 | (1,173) |
| Service charges in lieu of taxes Intergovernmental: | 2,600 | 2,600 | 3,517 | 917 |
| State grants | - | _ | 5,000 | 5,000 |
| County grants | 31,770 | 118,710 | 76,089 | (42,621) |
| Local grants | 87,690 | 411,440 | 422,509 | 11,069 |
| Fees and service charges: | 07,000 | | 422,003 | 11,009 |
| Senior programs fees | 1,270 | 14,912 | 10,709 | (4,203) |
| Parks and recreation fees | 179,400 | 198,040 | 240,324 | 42,284 |
| Building rental | 3,000 | 3,000 | 2,990 | (10) |
| Investment earnings | 64,200 | 64,200 | 58,174 | (6,026) |
| Donations | - | 7,000 | 5,000 | (2,000) |
| Miscellaneous | 4,500 | 10,500 | 12,684 | 2,184 |
| Total revenues | 3,455,830 | 3,911,802 | 3,946,499 | 34,697 |
| Expenditures: | | | | |
| Health and welfare: | | | | |
| Senior wellness program | 28,760 | 108,290 | 64,428 | 43,862 |
| Recreation and culture: | | | J 1, 1.25 | 40,00L |
| Parks: | | | | |
| Administration | 717,020 | 744,050 | 711,161 | 32,889 |
| Park facilities | 1,670,330 | 2,456,870 | 2,219,797 | 237,073 |
| Jackson Park swimming pool | - | • | 230 | (230) |
| Senior center (north) | 376,650 | 437,112 | 376,988 | 60,124 |
| Recreation | 485,220 | 735,970 | 709,808 | 26,162 |
| Total expenditures | 3,277,980 | 4,482,292 | 4,082,412 | 399,880 |
| Net change in fund balance | 177,850 | (570,490) | (135,913) | 434,577 |
| FUND BALANCE, beginning of year | 806,325 | 806,325 | 806,325 | |
| FUND BALANCE, end of year | \$ 984,175 | \$ 235,835 | \$ 670,412 | \$ 434,577 |

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

| | Budget | ed Amounts | Actual Amounts (Budgetary | Variance with Final Budget - Positive | | |
|-------------------------------------|--------------|--------------|---------------------------------|---|--|--|
| | Original | Final | Basis) | (Negative) | | |
| Revenues: | | | | | | |
| Intergovemmental: | | • | | | | |
| Federal grants | \$ 540,470 | \$ 1,089,724 | \$ 682,003 | \$ (407,721) | | |
| Loan repayments | - | - | 80,065 | 80,065 | | |
| Miscellaneous | - | | 72,260 | 72,260 | | |
| Total revenues | 540,470 | 1,089,724 | 834,328 | (255,396) | | |
| Expenditures: | | | | | | |
| Health and welfare: | | | | | | |
| Community development: | | | | | | |
| Administration | 150,190 | 141,071 | 111,205 | 29,866 | | |
| Senior wellness | 393,540 | 429,629 | 409,849 | 19,780 | | |
| Rehabilitation | - | 198,893 | 152,285 | 46,608 | | |
| Fair housing | 17,000 | 17,000 | 17,000 | - | | |
| Clearance activities | 5,000 | 23,676 | 15,350 | 8,326 | | |
| Relocation | 5,000 | - | - | - | | |
| Acquisition | - | 3,500 | 7,000 | (3,500) | | |
| Community action | 30,000 | 81,349 | 75,447 | 5,902 | | |
| Recreation and culture: | | | | | | |
| Parks: | | | | | | |
| Park facilities | | 46,320 | 46,192 | 128 | | |
| Total expenditures | 600,730 | 941,438 | 834,328 | 107,110 | | |
| Net change in fund balance | (60,260) | 148,286 | - | (148,286) | | |
| FUND BALANCE, beginning of year | | | | | | |
| FUND BALANCE (DEFICIT), end of year | \$ (60,260) | \$ 148,286 | <u> </u> | \$ (148,286) | | |

Nonmajor Governmental Funds

CITY OF WYOMING, MICHIGAN NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Fire Fund

To account for capital improvements and contributions to the General Fund for operations of the Fire Department. This fund is financed by a special tax levy.

Police Fund

To account for capital improvements and contributions to the General Fund for operations of the Police Department. This fund is financed by a special tax levy.

Sidewalk Snow Removal Fund

To account for the removal of snow from all City sidewalks. This fund is financed by a special tax levy.

Yard Waste Disposal Fund

To account for the disposal of yard waste. This fund is financed by a special tax levy.

Building Inspections Fund

To account for operations of building inspections department. The establishment of a separate fund was required by Public Act 245 of 1999. Financing is provided primarily by permit fees.

Drug Law Enforcement Fund

To account for revenue earmarked for drug law enforcement under the provisions of Public Act 135 of 1985 being Section 333.7523 of the Compiled Laws of 1979, as amended.

Library Fund

To account for the operation and maintenance of a public library facility. This fund is financed by a special tax millage.

DEBT SERVICE FUNDS

Water Supply Bonds Fund

To account for the retirement of 1964 Water Supply bond obligations. Financing is provided by a General Obligation Bonded Tax levy.

Sewage Disposal Bonds Fund

To account for the retirement of 1961 and 1963 Sewage Disposal bond obligations. Financing is provided by a General Obligation Bonded Tax levy.

General Obligation Library Bonds Fund

To account for the retirement of General Obligation Library bonds issued in 2000 for library building construction. Financing is provided by a General Obligation Bonded Tax levy.

General Obligation Limited Tax Bonds Fund

To account for the retirement of General Obligation Limited Tax bonds issued for street construction and improvements. Monies for debt service are transferred from capital improvement millage levies.

Special Assessment Bonds Fund

To account for the retirement of Special Assessment bonds issued for street construction and improvements, including water and sewer main replacements and extensions. Financing is provided by special assessments on the benefiting property.

Michigan Transportation Fund - Major and Local Street Funds

To account for the retirement of Michigan Transportation Fund bonds issued for street construction and improvements. Although Act 51 monies are obligated for this purpose, debt service is being financed by capital improvement millage levies.

Building Authority Bonds Fund

To account for the retirement of City of Wyoming Building Authority bonds for Motor Pool, Fire, Police, and other municipal building projects.

CITY OF WYOMING, MICHIGAN COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

June 30, 2006

| | _ | _ | | _ | | | Speci | al Revenu | je Fur | nds | _ | | |
|-------------------------------|------|-----|----|--------|------|-----------------------------|-------|---------------------------|--------|-------------------------|----|----------------------------|--|
| <u>Assets</u> | Fire | | | Police | | Sidewalk Snow Removal | | Yard Waste Disposal | | Building Inspections | | Drug Law Enforcement | |
| Cash and cash equivalents | \$ | 16 | \$ | - | \$ | 19,902 | \$ | 84,475 | \$ | 31,040 | \$ | 15.045 | |
| Investments | | 83 | | 100 | | 107,098 | | 454,588 | • | 167,046 | • | 80,962 | |
| Receivables (net of | | | | | | , - | | ., | | .0.,0.0 | | 00,302 | |
| allowance for | | | | | | | | | | | | | |
| for uncollectibles): | | | | | | | | | | | | | |
| Accounts | | _ | | - | | _ | | | | 48,815 | | _ | |
| Accrued interest | | 1 | | _ | | 946 | | 4,027 | | 1,480 | | | |
| | | | | | | | | 7,027 | | 1,400 | | 717 | |
| Total assets | \$ | 100 | | 100 | \$ | 127,946 | \$ 5 | 43,090 | \$ | 248,381 | \$ | 96,724 | |
| Liabilities and Fund Balances | | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | | |
| Accounts payable | \$ | _ | \$ | - | \$ | 3,796 | \$ | 14,137 | \$ | 16,761 | \$ | | |
| Deposits | | _ | • | _ | • | - | • | - | Ψ | 31,770 | Φ | | |
| | | | | | | | | | | 31,770 | | _ | |
| Total liabilities | | | | | | 3,796 | | 14,137 | | 48,531 | | <u>-</u> | |
| Fund balances: | | | | | | | | | | | | | |
| Reserved for encumbrances | | - | | _ | | - | | _ | | | | | |
| Unreserved: | | | | | | | | - | | - | | • | |
| Designated for: | | | | | | | | | | | | | |
| Debt service | | | | _ | | _ | | _ | | _ | | | |
| Subsequent fiscal year | | _ | | | | _ | | _ | | _ | | - | |
| Undesignated | | 100 | | 100 | | 24,150 | 5 | 28,953 | | 199,850 | | - 96,724 | |
| Total fund balances | | 100 | | 100 | | 124,150 | 5 | 28,953 | | 199,850 | | 96,724 | |
| Total liabilities and | | | | | | | | | | | | | |
| fund balances | \$ | 100 | \$ | 100 | \$ 1 | 27,946 | \$ 5 | 43,090 | \$ 2 | 248,381 | \$ | 96,724 | |

| | | | | | | | | Deb | Service | e Funds | | | | _ | | |
|-------------------------|-----------|--------------------------|------|------------------------|-------------|----------------------------------|-----------------|-----------------------------------|---------|-------------------------|------------|---|--------------------|---|-----------|---------------------------|
| Library | 8 | Water Supply Bonds | Dis | wage sposal onds | Obli Lit | neral gation orary onds | Oblig Limite | neral gation ed Tax onds | Sp. | ecial ssment onds | Trans F | chigan portation und - fajor street | Transp Fu Lo | higan portation and - pocal treet | Au | ilding thority onds |
| \$ 198,801 1,069,814 | \$ | 408 2,193 | \$ | 203 1,090 | | 37,471 01,644 | \$ | - | \$ | - - | \$ | - | \$ | - | \$ | 3,000 |
| - 9,476 | | - 19_ | | - 10 | | - 1,786 | | - - | | - - | - | - - | | - - | | - - |
| \$ 1,278,091 | <u>\$</u> | 2,620 | _\$_ | 1,303 | \$ 2 | 40,901 | \$ | <u>-</u> | \$ | <u>.</u> | \$ | <u>-</u> | \$ | - | <u>\$</u> | 3,000 |
| \$ 38,369 - | \$ | - - | \$ | <u>-</u> | \$ | - - | \$ | - - | \$ | - <u>-</u> | \$ | - | \$. ——- | - - | \$ | - - |
| 38,369 | | <u>-</u> | | | | <u>-</u> | | | | <u>.</u> | | <u>-</u> | | - | | |
| - | | - | | - | | - | | - | | - | | - | | - | | - |
| - - 1 220 722 | | 2,620 - | | 1,303 | 2 | 240,901 - - | | - • | | - - | | - - - | | - - - | | 3,000 - - |
| 1,239,722 | | 2,620 | | 1,303 | | 240,901 | | - | | • | | | | | | 3,000 |
| \$ 1,278,091 | \$ | 2,620 | \$ | 1,303 | <u>\$</u> 2 | 240,901 | <u>\$</u> | - | \$ | | \$ | <u>-</u> | <u>\$</u> | | <u> </u> | 3,000 |

(Continued)

CITY OF WYOMING, MICHIGAN COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

June 30, 2006 (Continued)

| Assets | G | Total Nonmajor covernmental Funds |
|-------------------------------|-------|-----------------------------------|
| | | |
| Cash and cash equivalents | \$ | 390,361 |
| Investments | | 2,084,618 |
| Receivables (net of | | |
| allowance for | | |
| for uncollectibles): | | |
| Accounts | | 48,815 |
| Accrued interest | | 18,462 |
| | | |
| Total assets | \$ | 2,542,256 |
| Liabilities and Fund Balances | | |
| Liabilities: | | |
| Accounts payable | \$ | 73,063 |
| Deposits | | 31,770 |
| Total liabilities | | 104,833 |
| Fund balances: | | |
| Reserved for encumbrances | | _ |
| Unreserved: | | |
| Designated for: | | |
| Debt service | | 247,824 |
| Subsequent fiscal year | | - |
| Undesignated | | 2,189,599 |
| Total fund balances | | 2,437,423 |
| Total liabilities and | | |
| fund balances | \$ | 2,542,256 |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

| | | | | Special Reve | nue Funds_ | | |
|---|------------------|--------------|-----------------------------|---------------------------|-------------------------|----------------------------|--------------|
| Re∨enues: | Fire | Police | Sidewalk Snow Removal | Yard Waste Disposal | Building Inspections | Drug Law Enforcement | Library |
| Taxes | | | | | | | |
| Licenses and permits | \$ 1,556,461 | \$ 2,594,165 | \$311,300 | \$ 311,397 | \$ - | \$ - | \$ 166,140 |
| Fees and service | - | • | • | - | 1,379,785 | • | - |
| charges | | | | | | | |
| Fines and forfeitures | - | - | • | • | 95,742 | - | 41,027 |
| Building rental | - | - | - | • | - | 9,345 | - |
| Investment earnings | - 16,645 | - 27.724 | 0.005 | 47.540 | | • | 5,905 |
| Donations | 10,045 | 27,734 | 9,995 | 17,542 | 8,426 | 3,768 | 43,284 |
| Miscellaneous | _ | - | - | 2 000 | - | - | 2,000 |
| | | | | 3,990 | · | · | 13 |
| Total revenues | <u>1,573,106</u> | 2,621,899 | 321,295 | 332,929 | 1,483,953 | 13,113 | 258,369 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| Public safety | - | - | | - | 1,384,053 | - | _ |
| Public works | - | _ | 416,029 | 165,669 | 22,877 | - | - |
| Recreation and culture | - | - | • | - | - | | 370,611 |
| Debt service: | | | | | | | · |
| Principal retirement | - | - | - | - | - | - | - |
| Interest and fiscal | | | | | | | |
| agent fees | | - | | | | | - |
| Total expenditures | | | 416,029 | 165,669 | 1,406,930 | | 370,611 |
| Excess (deficiency) of revenues over expenditures | 1,573,106 | 2,621,899 | (94,734) | 167,260 | 77,023 | 13,113 | (112,242) |
| Other financing sources (uses): | | | | | | | |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | (1,573,106) | (2,621,899) | | | | (46,920) | _ |
| Total other financing sources (uses) | (1,573,106) | (2,621,899) | | <u> </u> | | (46,920) | |
| Net change in fund balances | - | - | (94,734) | 167,260 | 77,023 | (33,807) | (112,242) |
| FUND BALANCES, beginning of year | 100 | 100 | 218,884 | 361,693 | 122,827 | 130,531 | 1,351,964 |
| FUND BALANCES, end of year | \$ 100 | \$ 100 | \$ 124,150 | \$ 528,953 | \$ 199,850 | \$ 96,724 | \$ 1,239,722 |

| | | | | | | | Debt S | Service | Funds | _ | | | | | |
|----|------------------------|-----|-----------------------|----|--|---|-----------|--------------------------------|-------------------|---|-----------|---|-----------|--------------------------------|--------------------|
| S | Vater upply onds | Dis | wage posal onds | 0 | General bligation Library Bonds | eral General ation Obligation ary Limited Tax | | Special Assessment Bonds | | Michigan Transportation Fund - Major Street | | Michigan Transportation Fund - Local Street | | Building Authority Bonds | |
| \$ | (73) | \$ | - | \$ | 602,040 | \$ | - | \$ | - | \$ | | \$ | - | \$ | - |
| | • | | _ | | | | | | | | | | | | |
| | - | | - | | - | | - | | - | | - | | - | | - |
| | • | | - | | • | | - | | - | | - | | - | | 1,583,756 |
| | - | | - | | - 20,592 | | - | | - | | - | | - | | - |
| | | | | | - | | | | - | | - | | - | | - |
| | - | | - | | | | | | - | | | | - | | |
| | (73) | | | _ | 622,632 | | <u>.</u> | | - | | | | | | 1,583,756 |
| | - | | - | | - | | - | | - | | | | - | | - |
| | - | | - | | - | | - - | | - | | • | | - | | - |
| | - | | - | | 365,000 | | 135,339 | 4 | 185,000 | | 498,652 | | 336,348 | | 890,000 |
| | . <u>-</u> | | | | 250,719 | _ | 48,061 | 2 | 210,478 | | 230,549 | | 123,736 | | 694,475 |
| | | | | _ | 615,719 | | 183,400 | | 95,478 | | 729,201 | | 460,084 | | 1,58 <u>4,</u> 475 |
| | (73) | | | | 6,913 | | (183,400) | (6 | 695, 478) | | (729,201) | - | (460,084) | | <u>(719)</u> |
| | - | | _ | | - | | 183,400 | ϵ | 95,478 | | 729,201 | | 460,084 | | • |
| | | | | _ | | | | | <u> </u> | | | | | | - |
| | • | | | | - | | 183,400 | 6 | 95,478 | | 729,201 | | 460,084 | | - |
| | (73) | | - | - | 6,913 | | - | | - | | - | | - | | (719) |
| | 2,693 | | 1,303 | _ | 233,988 | | - | | - | | <u>.</u> | | | | 3,719 |
| \$ | 2,620 | \$ | 1,303 | \$ | 240,901 | \$ | - | \$ | | \$ | | \$ | | \$ | 3,000 |

(Continued)

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2006 (Continued)

| | | Total |
|--------------------------------------|----|-------------|
| | | Nonmajor |
| | G | overnmental |
| | Ŭ | Funds |
| Revenues: | | - Tanas |
| Taxes | \$ | 5,541,430 |
| Licenses and permits | • | 1,379,785 |
| Fees and service | | 1,070,700 |
| charges | | 136,769 |
| Fines and forfeitures | | 9,345 |
| Building rental | | 1,589,661 |
| Investment earnings | | 147,986 |
| Donations | | 2,000 |
| Miscellaneous | | 4,003 |
| Total revenues | | 8,810,979 |
| Expenditures: | | |
| Current: | | |
| Public safety | | 1,384,053 |
| Public works | | 604,575 |
| Recreation and culture | | 370,611 |
| Debt service: | | |
| Principal retirement | | 2,710,339 |
| Interest and fiscal agent | | |
| fees | | 1,558,018 |
| Total expenditures | | 6,627,596 |
| Excess (deficiency) of revenues over | | |
| expenditures | | 2,183,383 |
| Other financing sources (uses): | | |
| Transfers in | | 2,068,163 |
| Transfers out | | (4,241,925) |
| Total other financing sources (uses) | | (2,173,762) |
| Net change in fund balances | | 9,621 |
| FUND BALANCES, beginning of year | | 2,427,802 |
| FUND BALANCES, end of year | \$ | 2,437,423 |

FIRE FUND

| | Budge | ted Amounts | Actual Amounts (Budgetary | Variance with Final Budget - Positive | | |
|----------------------------------|--------------|--------------|---------------------------------|---|--|--|
| , | Original | Final | Basis) | (Negative) | | |
| Revenues: | | | | (10galive) | | |
| Taxes: | | | | | | |
| Property | \$ 1,492,000 | \$ 1,492,000 | \$ 1,507,090 | \$ 15,090 | | |
| Industrial/commercial facilities | 48,200 | 48,200 | 47,613 | (587) | | |
| Service charges in lieu of taxes | 1,300 | 1,300 | 1,758 | 458 | | |
| Investment earnings | 15,100 | 15,100 | 16,645 | 1,545 | | |
| Total revenues | 1,556,600 | 1,556,600 | 1,573,106 | 16,506 | | |
| Other financing use: | | | | | | |
| Transfers out: | | | | | | |
| General Fund | (1,556,600) | (1,556,600) | (1,573,106) | (16,506) | | |
| Net change in fund balance | - | - | - | - | | |
| FUND BALANCE, beginning of year | 100 | 100 | 100 | - | | |
| FUND BALANCE, end of year | \$ 100 | \$ 100 | \$ 100 | <u> </u> | | |

POLICE FUND

| | Budget | ed Amounts | Actual Amounts | Variance with Final Budget - Positive | | |
|----------------------------------|-----------------|--------------|-------------------|---|--|--|
| | Original | (Budgetary | | | | |
| Revenues: | <u>Original</u> | <u>Final</u> | Basis) | (Negative) | | |
| Taxes: | | | | | | |
| Property | \$ 2,486,000 | \$ 2,486,000 | \$ 2,511,879 | \$ 25,879 | | |
| Industrial/commercial facilities | 80,400 | 80,400 | 79,356 | (1,044) | | |
| Service charges in lieu of taxes | 2,200 | 2,200 | 2,930 | 730 | | |
| Investment earnings | 26,200 | 26,200 | 27,734 | 1,534 | | |
| Total revenues | 2,594,800 | 2,594,800 | 2,621,899 | 27,099 | | |
| Other financing use: | | | | | | |
| Transfers out: | | | | | | |
| General Fund | (2,594,800) | (2,594,800) | (2,621,899) | (27,099) | | |
| Net change in fund balance | - | - | - | • | | |
| FUND BALANCE, beginning of year | 100_ | 100 | 100 | | | |
| FUND BALANCE, end of year | <u>\$ 100</u> | \$ 100 | <u>\$ 100</u> | <u>\$ -</u> | | |

SIDEWALK SNOW REMOVAL FUND

| | Budgele Original | ed Amounts Final | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive |
|--|---------------------|--------------------|----------------------------------|---------------------------------------|
| Revenues: | <u> </u> | T IIIdi | <u>Dasis)</u> | (Negative) |
| Taxes: | | | | |
| Property | \$ 298,000 | \$ 298,000 | \$ 301,412 | \$ 3.412 |
| Industrial/commercial facilities | 10.300 | 10,300 | 9,523 | (777) |
| Service charges in lieu of taxes | 300 | 300 | 365 | 65 |
| Investment earnings | 11,300 | 11,300 | 9,995 | (1,305) |
| Total revenues | 319,900 | 319,900 | 321,295 | 1,395_ |
| Expenditures: | | | | |
| Public works: | | | | |
| Highways and streets: | | | | |
| Administration | 30,750 | 30,750 | 30,750 | - |
| Sidewalks | 348,740 | 393,740 | 385,279 | 8,461 |
| Total expenditures | 379,490 | 424,490 | 416,029 | 8,461 |
| Deficiency of revenues over expenditures | (59,590) | (104,590) | (94,734) | 9,856 |
| FUND BALANCE, beginning of year | 218,884 | 218,884 | 218,884 | |
| FUND BALANCE, end of year | \$ 159,294 | \$ 1 <u>14,294</u> | \$ 124,150 | \$ 9,856 |

SPECIAL REVENUE FUND YARD WASTE DISPOSAL FUND

| Revenues: | Budgete Original | ed Amounts Final | (Budgetary | |
|---|---------------------|------------------|------------|------------|
| Taxes: | | | | |
| Property | \$ 298,000 | \$ 298,000 | \$ 301,496 | \$ 3,496 |
| Industrial/commercial facilities | 10,900 | 10,900 | 9,523 | (1,377) |
| Service charges in lieu of taxes | 300 | 300 | 378 | 78 |
| Trailer rental | 3,000 | 3,000 | 3,990 | 990 |
| Investment earnings | 10,100 | 10,100 | 17,542 | 7,442 |
| Total revenues | 322,300 | 322,300 | 332,929 | 10,629 |
| Expenditures: | | | | |
| Public works: | | | | |
| Highways and streets: | | • | | |
| Leaf disposal | 348,460 | 348,460 | 165,669 | 182,791 |
| Excess (deficiency) of revenues over expenditures | (26,160) | (26,160) | 167,260 | 193,420 |
| FUND BALANCE, beginning of year | 361,693 | 361,693_ | 361,693 | |
| FUND BALANCE, end of year | \$ 335,533 | \$ 335,533 | \$ 528,953 | \$ 193,420 |

SPECIAL REVENUE FUND BUILDING INSPECTIONS FUND

| | _ | | Actual | Variance with |
|--------------------------------------|--------------|--------------|----------------------|------------------------|
| | Budget | ed Amounts | Amounts | Final Budget - |
| | Original | Final | (Budgetary Basis) | Positive (Negative) |
| Revenues: | | | | |
| Licenses and permits: | | | | |
| Building permits | \$ 1,250,000 | \$ 1,250,000 | \$ 954,717 | \$ (295,283) |
| Electrical permits | 160,000 | 160,000 | 172,703 | 12,703 |
| Mechanical permits | 120,000 | 120,000 | 152,631 | 32,631 |
| Plumbing and sewer permits | 110,000 | 110,000 | 77,054 | (32,946) |
| Other permits | 14,000 | 14,000 | 16,260 | 2,260 |
| Business licenses | 6,000 | 6,000 | 6,420 | 420 |
| Fees and service charges: | | | | |
| Rental registration fees | 75,000 | 75,000 | 71,551 | (3,449) |
| Weed control fees | 40,000 | 52,500 | 24,191 | (28,309) |
| Investment earnings | 9,200 | 9,200 | 8,426 | (774) |
| Total revenues | 1,784,200 | 1,796,700 | 1,483,953 | (312,747) |
| Expenditures: | | | | |
| Public safety: | | | | |
| Inspections | 1,444,940 | 1,471,720 | 1,384,053 | 87,667 |
| Public works: | | | | • • |
| Sanitation-weed control | 28,480 | 28,480 | 22,877 | 5,603 |
| Miscellaneous: | | | · | -, |
| Compensated absences | 4,400 | 4,400 | | 4,400 |
| Total expenditures | 1,477,820 | 1,504,600 | 1,406,930 | 97,670 |
| Excess of revenues over expenditures | 306,380 | 292,100 | 77,023 | (215,077) |
| | | | • | , , , |
| FUND BALANCE, beginning of year | 122,827 | 122,827 | 122,827 | |
| FUND BALANCE, end of year | \$ 429,207 | \$ 414,927 | \$ 199,850 | \$ (215,077) |

DRUG LAW ENFORCEMENT FUND

| | Budge Original | eted Amounts Final | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) |
|--------------------------------------|-------------------|--------------------|---|---|
| Revenues: | | | | |
| Fines and forfeitures: | | | | |
| Forfeitures | \$ 5,600 | \$ 5,600 | \$ 9,345 | \$ 3,745 |
| Investment earnings | 5,600 | 5,600 | 3,768 | (1,832) |
| Total revenues | 11,200 | 11,200_ | 13,113 | 1,913 |
| Expenditures: | | | | |
| Public safety | | - | - | - |
| Excess of revenues over expenditures | 11,200 | 11,200 | 13,113 | 1,913 |
| Other financing use: Transfers out: | | | | |
| General Fund | | (46,920) | (46,920) | |
| Net change in fund balance | 11,200 | (35,720) | (33,807) | 1,913 |
| FUND BALANCE, beginning of year | 130,531 | 130,531 | 130,531 | |
| FUND BALANCE, end of year | <u>\$ 141,731</u> | \$ 94,811 | \$ 96,724 | \$ 1 ,913 |

LIBRARY FUND

| | Budge | eted Amounts | Actual Amounts | Variance with Final Budget - |
|--|-----------------|-----------------|-------------------|---------------------------------|
| | Orininal | FiI | (Budgetary | Positive |
| Revenues: | Original | <u>Final</u> | Basis) | (Negative) |
| Taxes: | | | | |
| Property | \$ 158,000 | \$ 158,000 | \$ 160,846 | \$ 2,846 |
| Industrial/commercial facilities | 6,400 | 6,400 | 5.080 | • |
| Service charges in lieu of taxes | 200 | 200 | 214 | (1,320) 14 |
| Building rental | 8,000 | 8,000 | 5,905 | |
| Investment earnings | | , | , | (2,095) |
| Donations | 52,100 2,500 | 52,100 | 43,284 | (8,816) |
| Fees and service charges | • | 2,500 | 2,000 | (500) |
| Miscellaneous | 41,020 | 41,020 | 41,027 | 7 |
| Miscellarieous | | | 13 | 13 |
| Total revenues | 268,220 | 268,220 | 258,369 | (9,851) |
| Expenditures: | | | | |
| Recreation and culture: | | | | |
| Building and grounds | 439,600 | 439,600 | 339,441 | 100,159 |
| Administration | 31,170 | 31,170 | 31,170 | |
| Total expenditures | 470,770 | 4 70,770 | 370,611 | 100,159 |
| Deficiency of revenues over expenditures | | | | |
| experioritores | (202,550) | (202,550) | (112,242) | 90,308 |
| FUND BALANCE, beginning of year | 1,351,964 | 1,351,964 | 1,351,964 | |
| FUND BALANCE, end of year | \$ 1,149,414 | \$ 1,149,414 | \$ 1,239,722 | \$ 90,308 |

WATER SUPPLY BONDS FUND

| | | Budget | | Ar (Bu | Actual mounts adgetary | Final Po | nce with Budget - |
|--------------------------------------|----|----------|-------------|-----------|------------------------------|-------------|----------------------|
| Revenues: | 0 | riginal | Final | | Basis) | (Ne | gative) |
| Taxes: | | | | | | | |
| General property taxes | \$ | - | \$ - | \$ | (73) | \$ | (73) |
| Industrial/commercial facilities tax | | - | - | | - | | - |
| Service charges in lieu of taxes | | - | _ | | | | |
| Total revenues | | - | - | | (73) | | (73) |
| Expenditures | | <u> </u> | | | - | | <u>-</u> |
| Net change in fund balance | | - | - | | (73) | | (73) |
| FUND BALANCE, beginning of year | | 2,693 | 2,693 | | 2,693 | | - |
| FUND BALANCE, end of year | \$ | 2.693 | \$ 2.693 | \$ | 2.620 | \$ | (73) |

DEBT SERVICE FUND SEWAGE DISPOSAL BONDS FUND

| | | Budg | eted Amo | ounts | Actual Amounts | | nce with Budget - |
|---------------------------------|----------------|----------|----------------------|----------------|-------------------|-------|----------------------|
| _ | Original Final | | (Budgetary Basis) | | sitive gative) | | |
| Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| General property taxes | _\$ | | \$ | | | - | \$ |
| Expenditures | | <u>.</u> | | | | | |
| Net change in fund balance | | - | | - , | | - | - |
| FUND BALANCE, beginning of year | | 1,303 | | 1,303 | | 1,303 | |
| FUND BALANCE, end of year | \$ | 1,303 | \$ | 1,303 | \$ | 1,303 | \$ |

GENERAL OBLIGATION LIBRARY BONDS FUND

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - |
|---|------------------|------------|-------------------|---------------------------------|
| | | | (Budgetary | Positive |
| _ | Original | Final | Basis) | (Negative) |
| Revenues: | | | | |
| Taxes: | | | | |
| General property taxes | \$ 580,000 | \$ 580,000 | \$ 582,908 | \$ 2,908 |
| Industrial/commercial facilities tax | 18,700 | 18,700 | 18,412 | (288) |
| Service charges in lieu of taxes | 400 | 400 | 720 | 320 |
| Total taxes | 599,100 | 599,100 | 602,040 | 2,940 |
| Investment earnings | 14,200 | 14,200 | 20,592 | 6,392 |
| Total revenues | 613,300 | 613,300 | 622,632 | 9,332 |
| Expenditures: | | | | |
| Debt service: | | | | • |
| Principal retirement | 365,000 | 365,000 | 365,000 | - |
| Interest on bonds | 250,500 | 250,500 | 250,444 | 56 |
| Fiscal agent fees | 300 | 300 | 275 | 25 |
| Total expenditures | 615,800 | 615,800 | 615,719 | 81 |
| Excess (deficiency) of revenues over expenditures | (2,500) | (2,500) | 6,913 | 9,413 |
| FUND BALANCE, beginning of year | 233,988 | 233,988 | 233,988 | |
| FUND BALANCE, end of year | \$ 231,488 | \$ 231,488 | \$ 240,901 | \$ 9,413 |

GENERAL OBLIGATION LIMITED TAX BONDS FUND

| | Budge Original | ted Amounts Final | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) | |
|--|-------------------|-------------------|---|---|--|
| Revenues | <u> </u> | \$ - | <u> </u> | <u> </u> | |
| Expenditures: | | | | | |
| Debt service: | | | | | |
| Principal retirement | 135,400 | 135,400 | 135,339 | 61 | |
| Interest on bonds | 47,600 | 47,600 | 47,506 | 94 | |
| Fiscal agent fees | 560 | 560 | 555 | 5 | |
| Total expenditures | 183,560 | 183,560 | 183,400 | 160_ | |
| Deficiency of revenues over expenditures | (183,560) | (183,560) | (183,400) | 160 | |
| Other financing source: | | | | | |
| Transfers in: | | | | | |
| Capital Improvement Fund | 183,560 | 183,560 | 183,400 | (160) | |
| Net change in fund balance | - | - | - | - | |
| FUND BALANCE, beginning of year | <u> </u> | | | • | |
| FUND BALANCE, end of year | <u>\$</u> - | \$ - | <u>\$ -</u> | \$ - | |

SPECIAL ASSESSMENT BONDS FUND

| | Budge Original | eted Amounts Final | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) | |
|--|-------------------|--------------------|---|---|--|
| Revenues | \$ - | \$ - | <u>\$ -</u> | \$ - | |
| Expenditures: | | | | | |
| Debt service: | | | | | |
| Principal retirement | 365,000 | 365,000 | 485,000 | (120,000) | |
| Interest on bonds | 130,100 | 130,100 | 208,812 | (78,712) | |
| Fiscal agent fees | 1,600 | 1,600 | 1,666 | (66) | |
| Total expenditures | 496,700 | 496,700 | 695,478 | (198,778) | |
| Deficiency of revenues over expenditures | (496,700) | (496,700) | (695,478) | (198,778) | |
| Other financing source: | | | | | |
| Transfers in: | | | | | |
| Capital Projects Revolving Fund | 496,700 | 496,700 | 695,478 | 198,778 | |
| Net change in fund balance | - | · - | - | - | |
| FUND BALANCE, beginning of year | | | | | |
| FUND BALANCE, end of year | <u>\$ -</u> | \$ - | <u>\$ -</u> | <u>\$</u> | |

MICHIGAN TRANSPORTATION FUND - MAJOR STREET

| | Budgeted Amounts Original Final | | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) |
|--|---------------------------------|-------------|---|--|
| Revenues | \$ | <u>\$ -</u> | <u>\$ -</u> | \$ - |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal retirement | 498,800 | 498,800 | 498,652 | 148 |
| Interest on bonds | 229,600 | 229,600 | 229,289 | 311 |
| Fiscal agent fees | 1,430 | 1,430 | 1,260 | 170 |
| Total expenditures | 729,830 | 729,830 | 729,201 | 629 |
| Deficiency of revenues over expenditures | (729,830) | (729,830) | (729,201) | 629 |
| Other financing source: | | | | |
| Transfers in: | | | | |
| Capital Improvement Fund | 729,830 | 729,830 | 729,201 | (629) |
| Net change in fund balance | - | - | - | - |
| FUND BALANCE, beginning of year | <u> </u> | | | |
| FUND BALANCE, end of year | \$ - | \$ <u>-</u> | \$ - | <u>\$</u> |

MICHIGAN TRANSPORTATION FUND - LOCAL STREET

| | | ed Amounts | Actual Amounts (Budgetary | Variance with Final Budget ~ Positive | |
|--|-----------|------------|---------------------------------|---|--|
| | Original | Final | Basis) | (Negative) | |
| Revenues | \$ - | \$ | \$ - | \$ - | |
| Expenditures: | | | | | |
| Debt service: | | | | | |
| Principal retirement | 336,500 | 336,500 | 336,348 | 152 | |
| Interest on bonds | 123,400 | 123,400 | 123,271 | 129 | |
| Fiscal agent fees | 550 | 550 | 465 | 85 | |
| Total expenditures | 460,450 | 460,450 | 460,084 | 366 | |
| Deficiency of revenues over expenditures | (460,450) | (460,450) | (460,084) | 366 | |
| Other financing source: | | | | | |
| Transfers in: | | | | | |
| Capital Improvement Fund | 460,450 | 460,450 | 460,084 | (366) | |
| Net change in fund balance | - | - | - | - | |
| FUND BALANCE, beginning of year | | | | | |
| FUND BALANCE, end of year | \$ - | <u> </u> | <u>\$ -</u> | <u> </u> | |

DEBT SERVICE FUND BUILDING AUTHORITY BONDS FUND

| | Budgeted Amounts Original Final | | Actual Amounts (Budgetary Basis) | Variance with Final Budget - Positive (Negative) | |
|--|----------------------------------|--------------|---|--|--|
| Revenues: | | | | | |
| Building rental | \$ 1,622,500 | \$ 1,622,500 | \$ 1,583,756 | \$ (38,744) | |
| Expenditures: | | | | | |
| Debt service: | | | | | |
| Principal retirement | 810,000 | 810,000 | 890,000 | (80,000) | |
| Interest on bonds | 809,700 | 809,700 | 693,384 | 116,316 | |
| Fiscal agent fees | 2,800 | 2,800 | 1,091_ | 1,709 | |
| Total expenditures | 1,622,500 | 1,622,500 | 1,584,475 | 38,025 | |
| Deficiency of revenues over expenditures | | <u> </u> | (719) | (719) | |
| FUND BALANCE, beginning of year | 3,719 | 3,719 | 3,719 | | |
| FUND BALANCE, end of year | \$ 3,719 | \$ 3,719 | \$ 3,000 | \$ (719) | |

Other Supplementary Information

CITY OF WYOMING, MICHIGAN SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION **ENTERPRISE FUND WATER FUND**

| | Assets | | | | | |
|------------------------------------|----------------|--------------|-----------------------|--------------------|--|--|
| | Balance | | | Balance | | |
| | July 1, 2005 | Additions | Deletions | June 30, 2006 | | |
| Land | \$ 1,658,222 | \$ 112,390 | \$ 107,310 | \$ 1,663,302 | | |
| Building and improvements | 15,626,866 | 232,693 | | 15,859,559 | | |
| Improvements other than buildings: | | | | | | |
| Water mains | 30,760,847 | 2,129,085 | _ | 32,889,932 | | |
| Sewer mains | 140,655 | _,:_0,000 | _ | 140,655 | | |
| Water towers and reservoirs | 12,118,755 | _ | _ | 12,118,755 | | |
| Treatment plant | 1,948,625 | 556,331 | _ | 2,504,956 | | |
| Services | 3,985,429 | 276,584 | _ | 4,262,013 | | |
| Line hydrants | 429,597 | 98,420 | _ | 528,017 | | |
| Electrical substation | 752,055 | - | _ | 752,055 | | |
| Intake main | 33,259,949 | 1,062,674 | | 34,322,623 | | |
| | 83,395,912 | 4,123,094 | | <u>87,519,</u> 006 | | |
| Machinery and equipment: | | | | | | |
| Treatment | 3,704,410 | - | _ | 3,704,410 | | |
| Pumping | 7,148,586 | - | _ | 7,148,586 | | |
| Laboratory | 341,706 | 11,750 | 75,025 | 278,431 | | |
| Tools and working | 350,906 | 167,176 | 56,616 | 461,466 | | |
| Furniture and fixtures | 225,418 | 8,158 | 58,319 | 175,257 | | |
| Vehicles | 11,502 | - | 3,444 | 8,058 | | |
| Other | 472,107 | 19,998 | 83,139 | 408,966 | | |
| | 12,254,635 | 207,082_ | 276,543 | 12,185,174 | | |
| Construction in progress | 5,284,789 | 502,050 | 2,404,066 | 3,382,773 | | |
| | \$ 118,220,424 | \$ 5,177,309 | \$ 2,787 <u>,</u> 919 | \$ 120,609,814 | | |

| | Accumulated Depreciation | | | | | |
|---------------|--------------------------|-----------|---------------|-----------------------|--|--|
| Balance | | | Balance | Net Book | | |
| July 1, 2005 | Depreciation | Deletions | June 30, 2006 | Value | | |
| \$ | \$ - | \$ - | \$ | \$ 1,663,302 | | |
| 6,117,816 | 618,830 | | 6,736,646 | 9,122,913 | | |
| | | | | | | |
| 9,769,732 | 467,635 | - | 10,237,367 | 22,652,565 | | |
| 9,309 | 3,103 | - | 12,412 | 128,243 | | |
| 4,086,799 | 408,131 | - | 4,494,930 | 7,623,825 | | |
| 1,183,456 | 51,909 | - | 1,235,365 | 1,269,591 | | |
| 3,240,203 | 73,466 | | 3,313,669 | 948,344 | | |
| 115,485 | 6,509 | - | 121,994 | 406,023 | | |
| 18,801 | 18,801 | - | 37,602 | 714,453 | | |
| 8,756,244 | 532,373 | | 9,288,617 | 25,034,006 | | |
| 27,180,029 | 1,561,927 | | 28,741,956 | 58,777,050 | | |
| 3,072,651 | 57,433 | - | 3,130,084 | 574,326 | | |
| 5,324,006 | 285,119 | - | 5,609,125 | 1,539,461 | | |
| 270,498 | 17,742 | 67,681 | 220,559 | 57,872 | | |
| 224,361 | 32,039 | 48,178 | 208,222 | 253,244 | | |
| 180,753 | 14,102 | 45,606 | 149,249 | 26,008 | | |
| 3,444 | 1,612 | 3,444 | 1,612 | 6,446 | | |
| 319,336 | 66,822 | 64,740 | 321,418 | 87,548 | | |
| 9,395,049 | 474,869 | 229,649 | 9,640,269 | 2,544,905 | | |
| | | | | 3,382,773 | | |
| \$ 42,692,894 | \$ 2,655,626 | \$229,649 | \$ 45,118,871 | \$ 75,4 <u>90,943</u> | | |

CITY OF WYOMING, MICHIGAN SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION ENTERPRISE FUND SEWER FUND

| | | | | As | sets | | | | |
|------------------------------------|-----------|--------------------|----------------|---------|--------|----------|-------------|------------|--|
| | | Balance | | | | | Baland | | |
| | <u>Ju</u> | ly 1, 2005 | Add | ditions | De | eletions | Jun | e 30, 2006 | |
| Land | _\$ | 194,284 | \$ | | _\$ | | \$ | 194,284 | |
| Building and improvements | | 15,945,973 | 2,2 | 227,001 | | 10,000 | | 18,162,974 | |
| Improvements other than buildings: | | | | | | | | | |
| Sewer mains | 4 | 14,482,341 | 1 | 156,402 | | _ | | 44,638,743 | |
| Lift stations | | 57,165 | | _ | | - | | 57,165 | |
| Electrical substation | | 647,300 | | _ | | _ | | 647,300 | |
| Water main | | 258,045 | | _ | | _ | | 258,045 | |
| Disposal plant | | 7,414,216 | 1,3 | 333,797 | | | | 8,748,013 | |
| | 5 | 2,859,067 | 1,4 | 190,199 | | | | 54,349,266 | |
| Machinery and equipment: | | | | | | | | | |
| Treatment | | 6,651,251 | | _ | | _ | | 6,651,251 | |
| Pumping | | 728,688 | | _ | | = | | 728,688 | |
| Laboratory | | 826,190 | | - | 1 | 92,318 | | 633,872 | |
| Tools and working | | 167,292 | 2,2 | 51,205 | | 37,496 | | 2,381,001 | |
| Office | | 209,699 | | 15,366 | | 94,854 | | 130,211 | |
| Vehicles | | 19,590 | | - | • | 4,390 | | 15,200 | |
| Other | | 376,817 | | 30,709 | | 45,207 | | 362,319 | |
| | · | 8, <u>97</u> 9,527 | 2,2 | 97,280 | 3 | 74,265 | 1 | 0,902,542 | |
| Construction in progress | | 7,323,500 | 10,3 | 91,788 | 5,4 | 18,728 | 1 | 2,296,560 | |
| | \$ 8 | 5,302,351 | \$ 16,4 | 06,268 | \$ 5,8 | 02,993 | \$ 9 | 5,905,626 | |

| | Accumulated Depreciation | | | | | | |
|---------------|--------------------------|------------|---------------|---------------|--|--|--|
| Balance | | | Balance | Net Book | | | |
| July 1, 2005 | Depreciation | Deletions | Јипе 30, 2006 | Value | | | |
| | | | | | | | |
| \$ - | | \$ - | <u> </u> | \$ 194,284 | | | |
| 40 440 400 | | 40.000 | 44.004.440 | 0.000.550 | | | |
| 10,418,436 | 855,980 | 10,000 | 11,264,416 | 6,898,558 | | | |
| | | | • | | | | |
| 13,642,158 | 674,603 | - | 14,316,761 | 30,321,982 | | | |
| 27,120 | 866 | - | 27,986 | 29,179 | | | |
| 16,183 | 16,183 | - | 32,366 | 614,934 | | | |
| 7,820 | 3,910 | - | 11,730 | 246,315 | | | |
| 3,980,562 | 440,305 | | 4,420,867 | 4,327,146 | | | |
| | | | | | | | |
| 17,673,843 | 1,135,867 | | 18,809,710 | 35,539,556 | | | |
| | | | | | | | |
| E 050 510 | 225 502 | | E 204 042 | 1,367,238 | | | |
| 5,058,510 | 225,503 | - | 5,284,013 | | | | |
| 476,982 | 21,539 | - | 498,521 | 230,167 | | | |
| 723,343 | 33,795 | 181,731 | 575,407 | 58,465 | | | |
| 132,230 | 7,054 | 33,965 | 105,319 | 2,275,682 | | | |
| 150,154 | 19,620 | 79,937 | 89,837 | 40,374 | | | |
| 16,078 | 878 | 1,756 | 15,200 | - | | | |
| 317,545 | 34,905 | 38,249_ | 314,201 | 48,118 | | | |
| 6,874,842 | 343,294 | 335,638 | 6,882,498 | 4,020,044 | | | |
| | | | | | | | |
| | | | | 12,296,560 | | | |
| \$ 34,967,121 | \$ 2,335,141 | \$ 345,638 | \$ 36,956,624 | \$ 58,949,002 | | | |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF NET ASSETS INTERNAL SERVICE FUNDS

June 30, 2006

| | Motor Pool Fund | Insurance Fund | Total |
|---|--------------------|-------------------|---------------|
| <u>Assets</u> | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 91,954 | \$ 1,843,301 | \$ 1,935,255 |
| Investments | 494,834 | 7,828,621 | 8,323,455 |
| Accrued interest receivable | 4,384 | 69,916 | 74,300 |
| Accounts receivable | 45,000 | - | 45,000 |
| Inventory Prepaid items | 60,298 | - | 60,298 |
| riepaid items | | 287,340 | 287,340 |
| Total current assets | 696,470 | 10,029,178 | 10,725,648 |
| Restricted assets: | | | |
| Cash and cash equivalents | 344,5 15 | - | 344,515 |
| Investments | 1,853,956 | - | 1,853,956 |
| Accrued interest receivable | 16,424 | | 16,424 |
| Total restricted assets | 2,214,895 | - | 2,214,895 |
| Capital assets: | , | | |
| Property and equipment | 15,836,382 | - | 15,836,382 |
| Less accumulated depreciation | 9,584,927 | | 9,584,927 |
| Net capital assets | 6,251,455 | | 6,251,455 |
| Total assets | 9,162,820 | 10,029,178 | 19,191,998 |
| <u>Lia</u> bilities | | | |
| Current liabilities: | | | |
| Accounts payable | 302,851 | 446,265 | 749,116 |
| Current portion: | | , | , |
| Compensated absences, workers' | | | |
| compensation and death benefits | 12,094 | 220,994 | 233,088 |
| Total current liabilities | 314,945 | 667,259 | 982,204 |
| Long-term liabilities (net of current portion): | | | |
| Compensated absences, workers' | | | |
| compensation and death benefits | 83,097 | 1,118,507 | 1,201,604 |
| Total long-term liabilities | 83,097 | 1,118,507 | 1,201,604 |
| Total liabilities | 398,042 | 1,785,766 | 2,183,808 |
| Net Assets | | | |
| Invested in capital assets | 6,251,455 | - | 6,251,455 |
| Unrestricted | 2,513,323 | 8,243,412 | 10,756,735 |
| Total net assets | \$ 8,764,778 | \$ 8,243,412 | \$ 17,008,190 |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS INTERNAL SERVICE FUNDS Year Ended June 30, 2006

| | | tor Pool Fund | In | surance Fund | <u>T</u> otal | |
|------------------------------------|-------------|-------------------|----|-------------------|---------------|------------|
| Operating revenues: | | | | | | |
| Charges for services | \$ | 18,858 | \$ | - | \$ | 18,858 |
| Equipment rentals | | 2,654,104 | | - | | 2,654,104 |
| Building rentals | | 304,920 | | • | | 304,920 |
| Premiums | | | | 9,966,185 | | 9,966,185 |
| Total operating revenues | | 2,977,882 | | 9,966,185 | | 12,944,067 |
| Operating expenses: | | | | | | |
| Administrative and general | | 419,447 | | 347,755 | | 767,202 |
| Equipment and building operations | | 2,285,321 | | - | | 2,285,321 |
| Depreciation | | 1,166,320 | | - | | 1,166,320 |
| Insurance claims and premiums | | | | 6,213,134 | | 6,213,134 |
| Total operating expenses | | 3,871,088 | | 6,560,889 | | 10,431,977 |
| Operating income (loss) | | (893,206) | | 3,405,296 | | 2,512,090 |
| Nonoperating revenues (expenses): | | | | | | |
| Investment earnings | | 97,324 | | 280,318 | | 377,642 |
| Interest expense | | (7,819) | | (91,519) | | (99,338) |
| Gain on disposal of capital assets | | 176,559 | | • | | 176,559 |
| Miscellaneous income | | 2,233 | - | | | 2,233 |
| Total nonoperating revenues | | 268,297 | | 188,799 | | 457,096 |
| Change in net assets | | (624,909) | | 3,594,095 | | 2,969,186 |
| Net assets, beginning of year | | 9,389,687 | | 4,649 <u>,317</u> | | 14,039,004 |
| Net assets, end of year | \$ | 8,76 <u>4,778</u> | \$ | 8,243,412 | \$ | 17,008,190 |

CITY OF WYOMING, MICHIGAN COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS

| | | Motor Pool | _ | Insurance | |
|--|------------|-------------|-----------|---|------------------|
| Cash flows from (for) operating activities: | _ | <u>Fund</u> | | Fund | Total |
| Receipts from customers | • | 0.000.000 | | • | |
| Payments to suppliers | \$ | 2,932,882 | \$ | 9,968,693 | \$ 12,901,575 |
| Payments to employees | | (1,130,209) | | (6,751,011) | (7,881,220) |
| Payments to internal service funds and administrative fees | | (656,915) | | (657,312) | (1,314,227) |
| Other receipts | | (763,945) | | (347,755) | (1,111,700) |
| · | | 2,233 | _ | 180,723 | 182,956 |
| Net cash provided by operating activities | | 384,046 | | 2,393,338 | 2,777,384 |
| Cash flows from (for) capital and related financing activities: | | | | | |
| Acquisition of capital assets | | (1,171,852) | | - | (1,171,852) |
| Principal payments on bonds payable | | (199,750) | | - | (199,750) |
| Interest paid | | (7,819) | | (91,519) | (99,338) |
| Proceeds from sale of capital assets | | 172,910 | | | 172,910 |
| Net cash used by capital and related financing activities | | (1,206,511) | | (91,519) | (1,298,030) |
| Cash flows from (for) investing activities: | | | | | |
| Investment earnings | | 100 707 | | 257.404 | |
| Net change in investments | | 100,707 | | 257,131 | 357,838 |
| | | 812,338 | | (1,722,642) | (910,304) |
| Net cash provided (used) by investing activities | | 913,045 | | (1,465,511) | (552,466) |
| Net increase in cash and cash equivalents | | 90,580 | | 836,308 | 926,888 |
| CASH AND CASH EQUIVALENTS, beginning of year | | 345,889 | | 1,006,993 | 1,352,882 |
| CASH AND CASH EQUIVALENTS, end of year | \$ | 436,469 | \$ | 1,843,301 | \$ 2,279,770 |
| Noncash Investing | Activities | s | | | |
| Change in fair value of investments | | | | | |
| The state of the s | <u>\$</u> | (812,338) | <u>\$</u> | 1,722,642 | \$ 910,304 |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | _ | | | | |
| Adjustments to reconcile operating income (loss) to net cash | \$ | (893,206) | \$ | 3,405,296 | \$ 2,512,090 |
| provided by operating activities: | | | | | |
| Depreciation | | | | | |
| Miscellaneous cash received | | 1,166,320 | | - | 1,166,320 |
| Changes in operating assets and liabilities: | | 2,233 | | - | 2,233 |
| Accounts receivable | | | | | |
| Inventory | | (45,000) | | 2,508 | (42,492) |
| Prepaid items | | (23,395) | | - | (23,395) |
| · | | - | | (47,871) | (47,871) |
| Accounts payable | | 171,802 | | (365,574) | (193,772) |
| Compensated absences, workers' compensation and | | | | | |
| death benefits | | 5,292 | | (601,021) | (595,729) |
| Net cash provided by operating activities | | 384,046 | \$ | 2,393,338 | \$ 2,777,384 |

CITY OF WYOMING, MICHIGAN SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION INTERNAL SERVICE FUND

MOTOR POOL FUND

| | | Assets | | | | |
|-----------------------------------|-------------------------|--------------|--------------|--------------------------|--|--|
| | Balance July 1, 2005 | Additions | Deletions | Balance June 30, 2006 | | |
| Land | \$ 392,837 | \$ - | \$ - | \$ 392,837 | | |
| Building and improvements | 3,135,770 | 67,377 | 30,598 | 3,172,549 | | |
| Improvements other than buildings | 638,539 | - | - | 638,539 | | |
| Equipment | 782,243 | - | 86,508 | 695,735 | | |
| Vehicles | 10,808,498 | 1,158,183 | 1,029,959 | 10,936,722 | | |
| Construction in progress | <u>5,700</u> | | 5,700 | <u>-</u> | | |
| | \$ 15,763,587 | \$ 1,225,560 | \$ 1,152,765 | \$ 15,836,382 | | |

| | | | | d Depreciation | Accumulate | | | |
|-------------------------------|------------|-----------|----|----------------|--------------|----------|-------------------------|-----------|
| Net Book Useful Life In Years | | | | Deletions | Depreciation | | Balance July 1, 2005 | |
| \$ 392,837 | \$ 392,83 | - | \$ | \$ - | - | \$ | - | \$ |
| 1,435,624 10-40 | 1,435,6 | 1,736,925 | | 15,550 | 176,517 | | 1,575,958 | |
| 195,666 10-20 | 195,6 | 442,873 | | - | 30,048 | | 412,825 | |
| 93,509 3-10 | 93,5 | 602,226 | | 76,724 | 58,353 | | 620,597 | |
| 4,133,819 3-15 | 4,133,8 | 6,802,903 | | 1,009,721 | 901,402 | | 6,911,222 | |
| | | | | | | | | _ |
| \$ 6,25 <u>1,455</u> | \$ 6,251,4 | 9,584,927 | \$ | \$ 1,101,995 | 1,166,320 | <u> </u> | 9,520,602 | <u>\$</u> |

CITY OF WYOMING, MICHIGAN SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS INTERNAL SERVICE FUND INSURANCE FUND

Year Ended June 30, 2006

| | General Liability | Fleet | Property | Floater |
|-------------------------------|-------------------|------------|--------------|------------|
| Revenues: | | | | |
| Premiums | \$ 372,972 | \$ 155,254 | \$ 247,850 | \$ - |
| Investment earnings | <u>45,096</u> | 24,044 | 34,172 | 5,073 |
| Total revenues | 418,068 | 179,298 | 282,022 | 5,073 |
| Expenses: | | | | |
| Administration and general | 53,928 | 3,769 | 7,069 | _ |
| Interest | - | - | - | - |
| Insurance claims and premiums | 382,960 | 89,695 | 205,793 | 280 |
| Total expenses | 436,888 | 93,464 | 212,862 | 280_ |
| Net income (loss) | (18,820) | 85,834 | 69,160 | 4,793 |
| Net assets, beginning of year | 1,505,619 | 754,648 | 1,098,909 | 165,823 |
| Net assets, end of year | \$ 1,486,799 | \$ 840,482 | \$ 1,168,069 | \$ 170,616 |

| Life | Workers' Compensation | Health | Total | |
|----------------------|----------------------------|---------------------------|--------------------------------|--|
| \$ - 3,868_ | \$ 842,893 185,831 | \$ 8,347,216 (17,766) | \$ 9,966,185 280,318 | |
| 3,868 | 1,028,724 | 8,329,450 | 10,246,503 | |
| 1,380 - 40,162 | 83,159 91,519 94,930 | 198,450 - 5,399,314 | 347,755 91,519 6,213,134 | |
| 41,542 | 269,608 | 5,597,764 | 6,652,408 | |
| (37,674) | 759,116 | 2,731,686 | 3,594,095 | |
| 147,435 | 2,749,623 | (1,772,740) | 4,649,317 | |
| \$ 109,761 | \$ 3,508,739 | \$ 958,946 | \$ 8,243,412 | |
| | | | | |

CITY OF WYOMING, MICHIGAN STATEMENT OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUND

TAX COLLECTION FUND

Year Ended June 30, 2006

| <u>Assets</u> | Balance July 1, 2005 | Additions | Deletions | Balance June 30, 2006 |
|---|--|---|---|--|
| Cash and cash equivalents Taxes receivable Total assets | \$ 96,189 1,988,729 \$ 2,084,918 | \$ 68,647,051 69,608,517 \$ 138,255,568 | \$ 68,724,525 69,315,963 \$ 138,040,488 | \$ 18,715 2,281,283 \$ 2,299,998 |
| <u>Liabilities</u> Due to other governmental units | \$ 2,084,918 | \$ 67,107,427 | \$ 66,892,347 | \$ 2,299,998 |
| Total liabilities | \$ 2,084,918 | \$ 67,107,427 | \$ 66,892,347 | \$ 2,299,998 |

CITY OF WYOMING, MICHIGAN STATEMENT OF PLAN NET ASSETS PENSION TRUST FUND

June 30, 2006

| | | Defined | |
|----------------|--|---|---|
| Pension | Health Care | Contribution | Total |
| | | | |
| | | | |
| \$ 4,414,602 | \$ 208,517 | \$ 98 | <u>\$ 4,623,217</u> |
| | | | |
| 536,267 | 19,915 | - | 556,182 |
| 1,458,228 | 53,188 | | 1,511,416 |
| 1,994,495 | 73,103 | | 2,067,598 |
| | | | |
| 10,263,375 | 374,350 | - | 10,637,725 |
| 491,040 | 17,910 | - | 508,950 |
| 21,434,173 | 781,798 | _ | 22,215,971 |
| 49,052,349 | 1,789,154 | - | 50,841,503 |
| 4,356,197 | 158,890 | - | 4,515,087 |
| 1,217,747 | 44,417 | - | 1,262,164 |
| 956,280 | 34,880 | - | 991,160 |
| 268,998 | 9,812 | - | 278,810 |
| - | 3,833,034 | 297 | 3,833,331 |
| 22,478,385 | 819,885 | - | 23,298,270 |
| 5,723,914 | 208,776 | | 5,932,690 |
| 116,242,460 | 8,072,904 | 297 | 124,315,661 |
| 122,651,557 | 8,354,524 | 395 | 131,006,476 |
| | | | |
| 5,723,914 | 208,776 | · <u>-</u> | 5,932,690 |
| 1,552,530 | 57,656 | <u> </u> | 1,610,186 |
| 7,276,444 | 266,432 | | <u>7,54</u> 2,876 |
| \$ 115,375,113 | \$ 8,088,092 | \$ 395 | \$ 123,463,600 |
| | \$ 4,414,602 536,267 1,458,228 1,994,495 10,263,375 491,040 21,434,173 49,052,349 4,356,197 1,217,747 956,280 268,998 | \$ 4,414,602 \$ 208,517 536,267 19,915 1,458,228 53,188 1,994,495 73,103 10,263,375 374,350 491,040 17,910 21,434,173 781,798 49,052,349 1,789,154 4,356,197 158,890 1,217,747 44,417 956,280 34,880 268,998 9,812 3,833,034 22,478,385 819,885 5,723,914 208,776 116,242,460 8,072,904 122,651,557 8,354,524 5,723,914 208,776 5,723,914 208,776 1,552,530 57,656 | Pension Health Care Contribution \$ 4,414,602 \$ 208,517 \$ 98 536,267 19,915 - 1,458,228 53,188 - 1,994,495 73,103 - 10,263,375 374,350 - 491,040 17,910 - 21,434,173 781,798 - 49,052,349 1,789,154 - 4,356,197 158,890 - 1,217,747 44,417 - 956,280 34,880 - 268,998 9,812 - - 3,833,034 297 22,478,385 819,885 - 5,723,914 208,776 - 116,242,460 8,072,904 297 122,651,557 8,354,524 395 5,723,914 208,776 - 1,552,530 57,656 - 7,276,444 266,432 - |

CITY OF WYOMING, MICHIGAN STATEMENT OF CHANGES IN PLAN NET ASSETS PENSION TRUST FUND

Year Ended June 30, 2006

| | | | Defined | |
|--|----------------|--------------|--------------|----------------|
| | Pension | Health Care | Contribution | Total |
| Additions: | | | | |
| Contributions: | | | | |
| Employer | \$ 1,942,593 | \$ 2,345,572 | \$ 393 | \$ 4,288,558 |
| Employee | 179,435 | - | - | 179,435 |
| Total contributions | 2,122,028 | 2,345,572 | 393 | 4,467,993 |
| Investment income: | | | | |
| Net appreciation in fair value of investments | 6,094,491 | 348,169 | 2 | 6,442,662 |
| Interest | 4,082,954 | 225,536 | - | 4,308,490 |
| Other | 29,205 | 1,065 | | 30,270 |
| Total income from investing activities | 10,206,649 | 574,771 | 2 | 10,781,422 |
| Less investment expense | 360,433 | 39,459 | - | 399,892 |
| Net income from investing activities | 9,846,217 | 535,311 | 2 | 10,381,530 |
| Securities lending income | 172,058 | - | - | 172,058 |
| Securities lending expense | (164,714) | | | (164,714) |
| Net income from securities lending | 7,344 | | | 7,344 |
| Total additions | 11,975,589 | 2,880,883 | 395 | 14,856,867 |
| Deductions: | | | | |
| Benefits | 4,976,396 | • | - | 4,976,396 |
| Health care premium subsidies | - | 1,666,636 | - | 1,666,636 |
| Administrative expense | 46,494 | | - | 46,494 |
| Total deductions | 5,022,890 | 1,666,636 | | 6,689,526 |
| Change in net assets | 6,952,699 | 1,214,247 | 395 | 8,167,341 |
| Net assets held in trust for pension benefits: | | | | |
| Beginning of year | 108,422,414 | 6,873,845 | | 115,296,259 |
| End of year | \$ 115,375,113 | \$ 8,088,092 | \$ 395 | \$ 123,463,600 |

CITY OF WYOMING, MICHIGAN

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET (MODIFIED ACCRUAL BASIS) AND ACTUAL CAPITAL PROJECTS FUND

CAPITAL IMPROVEMENT FUND

Year Ended June 30, 2006

| | Budg | eted Amounts | Actual Amounts | Variance with Final Budget - | | |
|---|--------------|----------------|----------------------|---------------------------------|--|--|
| | Original | Final | (Budgetary Basis) | Positive | | |
| Revenues: | Oliginal | T HIGH | Basis) | (Negative) | | |
| Taxes: | | | | | | |
| Property taxes | \$ 3,716,000 | \$ 3,716,000 | \$ 3,753,397 | \$ 37,397 | | |
| Industrial/commercial facilities tax | 120,100 | 120,100 | 118,577 | (1,523) | | |
| Service charges in lieu of taxes | 3,100 | 3,100 | 4,379 | 1,279 | | |
| Total taxes | 3,839,200 | 3,839,200 | 3,876,353 | 37,153 | | |
| Intergovernmental: | | | | | | |
| Federal grants | 3,220,000 | 3,758,710 | - | (3,758,710) | | |
| Investment earnings | 80,000 | 80,000 | 186,200 | 106,200 | | |
| Storm sewer cost share | 250,000 | 783,000 | 384,822 | (398,178) | | |
| Miscellaneous | - | 209,000 | 6,817 | (202,183) | | |
| Total revenues | 7,389,200 | 8,669,910 | 4,454,192 | (4,215,718) | | |
| Expenditures: | | | | | | |
| Capital outlay: | | | | | | |
| Street improvements | 5,490,100 | 17,275,447 | 6,881,957 | 10,393,490 | | |
| Storm sewer improvements | 603,900 | 2,877,670 | 771,746 | 2,105,924 | | |
| Sanitary sewer improvements | - | 1,427,356 | - | 1,427,356 | | |
| Water improvements | 823,500 | 5,508,338 | 734,880 | 4,773,458 | | |
| Administration | 949,060 | 953,120 | 938,105 | 15,015 | | |
| Bond issuance costs | · - | 219,779 | 120,794 | 98,985 | | |
| Total expenditures | 7,866,560 | 28,261,710 | 9,447,482 | 18,814,228 | | |
| Deficiency of revenues over expenditures | (477,360) | (19,591,800) | (4,993,290) | 14,598,510 | | |
| Other financing sources (uses): | | | | | | |
| Bonds issued | 1,780,000 | 11,813,325 | 8,105,000 | (3,708,325) | | |
| Proceeds from sale of capital assets | - | · · · | 714,037 | 714,037 | | |
| Transfers out: | | | | , | | |
| General Obligation Limited Tax Bonds Fund | (183,560) | (183,560) | (183,400) | 160 | | |
| Michigan Transportation Fund - Major | (729,830) | (729,830) | (729,201) | 629 | | |
| Michigan Transportation Fund - Local | (460,450) | (460,450) | (460,084) | | | |
| Total other financing sources (uses) | 406,160 | 10,439,485 | 7,446,352 | (2,993,133) | | |
| Net change in fund balance | (71,200) | (9,152,315) | 2,453,062 | 11,605,377 | | |
| FUND BALANCE, beginning of year | 1,669,772 | 1,669,772 | 1,669,772 | | | |
| FUND BALANCE (DEFICIT), end of year | \$ 1,598,572 | \$ (7,482,543) | \$ 4,122,834 | \$ 11,605,377 | | |

Statistical Section (Unaudited)

CITY OF WYOMING, MICHIGAN COMPREHENSIVE ANNUAL FINANCIAL REPORT CONTENTS OF STATISTICAL SECTION

Year Ended June 30, 2006

This part of the City of Wyoming's (the City) Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

OPERATING INFORMATION

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2002; schedules presenting government-wide information include information beginning in that year.

CITY OF WYOMING, MICHIGAN NET ASSETS BY COMPONENT (UNAUDITED)

Last Five Fiscal Years (accrual basis of accounting)

| | Fiscal Year | | | | | | | | | |
|---|-------------|---------------------|-------------|----------------------|-----------|-------------|--------------|--------------------------|-----------|--------------------------|
| _ | | 2002 | | 2003 | 2004 | | | 2005 | | 2006 |
| Governmental activities | | | | | | | | | _ | |
| Invested in capital assets, net of related debt | \$ | 73,640,840 | \$ | 75,964,817 | \$ | 77,228,778 | \$ | 75,348,597 | \$ | 77,998,952 14,867,472 |
| Restricted | | 4,947 22,300,191 | | 17,323 21,659,839 | | 21,438,387 | | 11,748,408 17,542,267 | | 22,204,967 |
| Unrestricted | _ | | _ | | _ \$ | 98,667,165 | \$ | 104,639,272 | <u> </u> | 115,071,391 |
| Total governmental activities net assets | \$ | 95,945,978 | <u>></u> | 97,641,979 | <u>\$</u> | 90,007,100 | p | 104,035,272 | Ψ_ | 110,011,051 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ | 81,939,404 | \$ | 85,272,530 | \$ | 85,341,244 | \$ | 92,150,513 | \$ | 57,129,494 |
| Restricted | | 990,691 | | 1,564,076 | | 1,844,952 | | 2,199,780 | | 32,611,305 |
| Unrestricted | _ | 25,484,164 | _ | 29,002,467 | _ | 35,792,250 | _ | 31,359,935 | _ | 39,475,313 |
| Total business-type activities net assets | <u>\$</u> | 108,414,259 | \$ | 115,839,073 | <u>\$</u> | 122,978,446 | \$ | 125,710,228 | <u>\$</u> | 129,216,112 |
| Primary government | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ | 155,580,244 | \$ | 161,237,347 | \$ | 162,570,022 | \$ | 167,499,110 | \$ | 135,128,446 |
| Restricted | | 995,638 | | 1,581,399 | | 1,844,952 | | 13,948,188 | | 47,478,777 |
| Unrestricted | | 47,784,355 | _ | 50,662,306 | _ | 57,230,637 | _ | 48,902,202 | _ | 61,680,280 |
| Total primary government net assets | <u>\$</u> | 204,360,237 | <u>\$</u> | 213,481,052 | \$ | 221,645,611 | <u>\$</u> | 230,349,500 | <u>\$</u> | 244,287,503 |
| Component units activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ | 4,357,012 | \$ | 4,211,939 | \$ | 4,305,735 | \$ | 4,333,377 | \$ | 4,347,360 |
| Restricted | | - | | - | | - | | 204.004 | | 007.043 |
| Unrestricted | _ | 255,308 | _ | 181,853 | _ | 278,694 | _ | 391,004 | _ | 987,843 |
| Total component units activities net assets | <u>\$</u> | 4,612,320 | <u>\$</u> | 4,393,792 | \$ | 4,584,429 | \$ | 4,724,381 | <u>\$</u> | 5,335,203 |
| Combined reporting units | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ | 159,937,256 | \$ | 4,211,939 | \$ | 4,305,735 | \$ | 171,832,487 | \$ | 139,475,806 |
| Restricted | | 995,638 | | - | | - | | 13,948,188 | | 47,478,777 |
| Unrestricted | _ | 48,039,663 | _ | 181,853 | _ | 278,694 | _ | 49,293,206 | _ | 62,668,123 |
| Total combined reporting units net assets | <u>\$</u> | 208,972,557 | <u>\$</u> | 217,874,844 | \$ | 226,230,040 | \$ | 235,073,881 | \$ | 249,622,706 |

Notes: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

CITY OF WYOMING, MICHIGAN CHANGES IN NET ASSETS (UNAUDITED) Last Five Fiscal Years (accrual basis of accounting)

| | 0000 | | Fiscal Year | | | |
|---|------------------------|------------------------|------------------------|--------------------------|---------------------------------|--|
| Expenses | 2002 | <u>2003</u> | 2004 | <u>2005</u> | <u>2006</u> | |
| Governmental activities: | | | | | | |
| General government | \$ 3,772,302 | \$ 4,695,669 | \$ 5,029,797 | \$ 4,885,248 | \$ 4,118,599 | |
| Legislative | 105,409 | 118,798 | 110,340 | 104,973 | 100,388 | |
| Judicial | 1,547,039 | 1,620,770 | 1,782,648 | 1,714,263 | 1,681,695 | |
| Public safety | 19,216,270 | 20,557,479 | 20,301,291 | 18,995,200 | 20,031,557 | |
| Public works | 9,333,890 | 8,970,283 | 9,179,668 | 8,410,303 | 11,556,464 | |
| Health and welfare | 889,492 | 771,432 | 699,123 | 849,446 | 926,753 | |
| Parks and recreation Debt service | 3,811,049 2,076,556 | 3,902,388 2,000,217 | 3,880,950 1,999,910 | 3,808,009 2,006,645 | 4,349,142 1,786,022 | |
| Total governmental activities expenses | 40,754,007 | 42,637,036 | 43,183,727 | 40,774,087 | 44,550,620 | |
| Business-type activities: | | | | | | |
| Water | 12,649,132 | 13,442,682 | 14,682,669 | 14,593,867 | 15,367,197 | |
| Sewer | 9,693,380 | 9,928,924 | 10,753,042 | 10,448,249 | 12,735,635 | |
| Total business-type activities expenses | 22.342,512 | 23,371,606 | 25,435,711 | 25,042,116 | 28,102,832 | |
| Total primary government expenses | 63,096,519 | 66,008,642 | 68,619,438 | 65,816,203 | 72,653,452 | |
| Component units: | | | | | | |
| Wyoming Housing Commission | 4,643,440 | 6,070,106 | 6,648,376 | 7,301,215 | 7,360,701 | |
| 62A District Court | 3,502,834 | 3,617,761 | 3,571,047 | 3,431,736 | 3,401,974 | |
| Wyoming Downtown Development Authority | 74,830 | 45,229 | 105,981 | 183,899 | 264,110 | |
| Economic Development Corporation | 59,599 | 63,215 | 20,625 | 18,225 | 437 | |
| Brownfield Redevelopment Authority | 5,029 | | 774 | 436 | - | |
| Total component units expenses | 8,285,732 | 9,796,311 | 10,346,803 | 10,935,511 | 11,027,222 | |
| Total expenses | 71,382,251 | 75,804,953 | 78,966,241 | 76,751,714 | 83,680,674 | |
| Program revenues (see Schedule 3) | | | | | | |
| Governmental activities: | | | | | | |
| Charges for services: | | | | | | |
| Public safety | 999,832 | 975,154 | 1,384,103 | 1,373,893 | 1,567,234 | |
| Public works | 1,094,545 | 1,182,243 | 982,915 | 1,514,166 | 7,777,183 | |
| Other activities | 3,873,525 | 4,405,000 | 5,700,707 | 6,257,095 | 6,064,275 | |
| Parks and recreation | 307,361 | 328,846 | 287,897 | 265,070 | 302,943 | |
| Operating grants and contributions Capital grants and contributions | 5,866,770 | 5,462,585 | 5,740,407 | 7,053,212 | 8,803,760 | |
| Total governmental activities program revenues | 880,819 | 1,157,255 | 452,769 | <u>455,016</u> | <u>733,142</u> | |
| Business-type activities: | 13,022,852 | 13,511,083 | 14,548,798 | 16,918,452 | 23,248,557 | |
| Charges for services: | | | | | | |
| Water | 14,750,515 | 15,465,325 | 15,160,838 | 45 220 400 | 10 715 174 | |
| Sewer | 9,010,930 | 8,755,783 | 10,572,947 | 15,339,402 10,622,811 | 16,715,172 | |
| Operating grants and contributions | - | 73,625 | 41,375 | 10,022,011 | 11,421,554 | |
| Capital grants and contributions | 2,861,505 | 5,616,252 | 6,416,665 | 984,061 | 1,490,943 | |
| Total business-type activities program revenues | 26,622,950 | 29,910,985 | 32,191,825 | 26,946,274 | | |
| Total primary government program revenues | 39,645,802 | 43,422,068 | 46,740,623 | 43,864,726 | <u>29,627,669</u> 52,876,226 | |
| - | | , | 1-11 10,020 | 10,001,720 | 32,010,220 | |
| Component units | | | | | | |
| Wyoming Housing Commission | 462,9 2 5 | 466,409 | 461,479 | 445,918 | 495,439 | |
| 62A District Court | 3,502,834 | 3,617,761 | 3,571,047 | 3,431,736 | 3,401,974 | |
| Wyoming Downtown Development Authority Economic Development Corporation | 76.005 | • | 12,220 | - | - | |
| Brownfield Redevelopment Authority | 26,825 | - | • | - | - | |
| Operating grants and contributions | 3,921, 99 8 | 5,355,355 | 6 200 000 | - 072 | 7 485 700 | |
| Capital grants and contributions | 56,352 | 0,000,000 | 6,298,880 | 6,917,173 | 7,135,768 | |
| Total component units revenues | 7,970,934 | 9 439 525 | 10 343 636 | 10 704 997 | 238,220 | |
| Total reporting units | | 9,439,525 | 10,343,626 | 10,794,827 | 11,271,401 | |
| | <u>47,616,736</u> | 52,861,593 | 57,084,249 | <u>54,659,553</u> | <u>64,</u> 147,627 | |

| | | | Fiscal Year | | |
|---|---------------------|-----------------|-----------------|-----------------|-----------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| Net (expense)/revenue | | | | | |
| Governmental activities | \$ (27,731,155) | \$ (29,125,953) | \$ (28,634,929) | \$ (23,855,635) | \$ (21,302,063) |
| Business-type activities | 4,280,438 | 6,539,379 | 6,756,114 | 1,904,158 | 1,524,837 |
| Component units activities | (314,798) | (356,786) | (3,177) | (140,684) | 244,179 |
| Total primary government net expense | · (23,765,515) | (22,943,360) | (21,881,992) | (22,092,161) | (19,533,047) |
| General revenues and other changes in net assets | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | 20 200 200 | 00 707 005 |
| Properly taxes | 18,840,993 | 18,973,477 | 19,640,425 | 20,090,990 | 20,767,325 |
| Property taxes levied for debt service | <u>-</u> | 832,312 | 763,636 | 613,654 | 582,838 |
| Industrial/commercial facilities | 919,620 | 820,240 | 683,961 | 645,858 | 679,755 |
| Penalties and interest on delinquent property taxes | 69,796 | 86,010 | 71,060 | 91,460 | 97,646 4,120 |
| Trailer fees | 4,525 | 4,402 | 3,428 | 5,131 | 4,120 |
| Tax administration fees | 802,828 | 842,483 | 6,570,912 | 6.309.830 | 6,266,325 |
| Unrestricted grants and contributions | 7,590,402 | 6,955,495 | 6,570,912 | 1,203,358 | 425,181 |
| Gain on sale of capital assets | 555,780 | 488,492 | - | 1,200,330 | 420,101 |
| Insurance proceeds | 1,712,562 | 1,254,689 | 800,650 | 843,651 | 1,553,862 |
| Investment earnings | 1,942,664 33,797 | 41,299 | - | 0.10,50. | -,, |
| Miscellaneous | 19,126 | 19,310 | 18,275 | 23,810 | 25,209 |
| Payments in lieu of taxes | | | - | 29,827,742 | 30,402,261 |
| Total governmental activities | 32,492,093 | 30,318,409 | 28,552,347 | 29,021,142 | 30,402,201 |
| Business-type activities: | | | | | |
| Investment earnings | 1,195,692 | 879,997 | 382,843 | 827,599 | 1,981,047 |
| Gain/(toss) on sale of capital assets | (3,405) | 5,000 | - | - | - |
| Miscellaneous | 1,311 | <u>438</u> | 416 | 25 | |
| Total business-type activities | 1,193,598 | 885,435 | 383,259 | 827,624 | 1,981,047 |
| Total primary government | 33,685,691 | 31,203,844 | 28,935,606 | 30,855,366 | 32,383,308 |
| Component units activities: | | | | | |
| Property taxes | 84,694 | 88,189 | 169,296 | 195,753 | 286,104 |
| Investment earnings | 31,195 | 28,329 | 12,695 | 11,897 | 22,353 |
| Gain/(loss) on sale of capital assets | | - | 1,928 | - | - |
| Miscellaneous | 61,975 | 21,739 | 9,895 | 72,986 | 58,186 |
| Total component units activities | 177,864 | 138,257 | 193,814 | 280,636 | 366,843 |
| Change in net assets | | | | | |
| Governmental activities | 4,760,938 | 1,192,456 | (82,582) | 5,972,107 | 9,100,198 |
| Business-type activities | 5,474,036 | 7,424,814 | 7,139,373 | 2,731,782 | 3,505,884 |
| Component units activities | (136,934) | (218,529) | 190,637 | 139,952 | 610,822 |
| Total reporting unit | \$ 10,098,040 | \$ 8,398,741 | \$ 7,247,428 | \$ 8,843,841 | \$ 13,216,904 |
| roterroporting with | | | | | |

Notes: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2002.

CITY OF WYOMING, MICHIGAN PROGRAM REVENUES BY FUNCTION/PROGRAM (UNAUDITED) Last Five Fiscal Years

(accrual basis of accounting)

| | Program Revenues | | | | | | | | | |
|-----------------------------------|------------------|---------------|---------------|---------------|---------------|--|--|--|--|--|
| | 2002 | 2003 | 2004 | 2005 | <u>2006</u> | | | | | |
| Function/Program | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 1,677,976 | \$ 2,056,083 | \$ 3,391,451 | \$ 3,854,115 | \$ 4,393,389 | | | | | |
| Judicial | 2,117,722 | 2,179,581 | 2,097,943 | 1,993,716 | 1,961,177 | | | | | |
| Public safety | 1,528,141 | 1,599,059 | 1,935,389 | 2,016,162 | 2,262,069 | | | | | |
| Public works | 5,965,234 | 6,654,776 | 6,281,935 | 6,684,499 | 12,906,299 | | | | | |
| Health and welfare | 911,121 | 592,707 | 457,449 | 2,002,876 | 1,318,531 | | | | | |
| Parks and recreation | 822,658 | 428,877 | 384,631 | 367,084 | 407,092 | | | | | |
| Library | | | | | | | | | | |
| Subtotal governmental activities | 13,022,852 | 13,511,083 | 14,548,798 | 16,918,452 | 23,248,557 | | | | | |
| Business-type activities: | | | | | | | | | | |
| Water | 17,105,501 | 20,878,115 | 21,610,917 | 16,272,113 | 17,237,175 | | | | | |
| Sewer | 9,517,449 | 9,032,870 | 10,580,908 | 10,674,161 | 12,390,494 | | | | | |
| Subtotal business-type activities | 26,622,950 | 29,910,985 | 32,191,825 | 26,946,274 | 29,627,669 | | | | | |
| Total primary government | \$ 39,645,802 | \$ 43,422,068 | \$ 46,740,623 | \$ 43,864,726 | \$ 52,876,226 | | | | | |

CITY OF WYOMING, MICHIGAN FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED)

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | <u>1997</u> | <u>1998</u> | 1999 | <u>Fiscal</u> 2000 |
|---|-------------|----------------------|---------------|-----------------------|
| General fund | | | | |
| Reserved | \$ 813,1 | 77 \$ 490,520 | \$ 1,613,681 | \$ 563,159 |
| Unreserved | 3,586,7 | 88 4,61 <u>0,179</u> | 5,093,591 | 4,405,705 |
| Total general fund | 4,399,9 | <u>5,100,699</u> | 6,707,272 | 4,968,864 |
| All other governmental funds Reserved [®] Unreserved, reported in: | 624,3 | 60 364,900 | 4,416,783 | 13,780,499 |
| Special revenue funds | (394,0 | 83) 4,490,075 | 5.511.054 | 3,029,880 |
| Capital projects funds | 5,333,5 | , | , , | 6,334,490 |
| Debt service funds | 782,8 | | , , | 469,892 |
| Total all other governmental funds | 6,346,7 | 19,719,769 | 16,196,634 | 23,614,761 |
| Total all governmental funds | 10,746,6 | 82 24,820,468 | 22,903,906 | 28,583,625 |
| Fund balance adjustment | 36,3 | 85 (114,571 | 23,751 | |
| Restated total governmental funds | \$ 10,783,0 | 67 \$ 24,705,897 | \$ 22,927,657 | \$ 28,583,625 |

Notes:

^a The substantial increase in reserved fund balance in 1998-2001 was due to capital projects.

| <u>Y</u> | <u>ear</u> | | | | | | | | | |
|----------|-------------|---------------|----|-------------|----|-------------|----|-------------|--------------|--------------|
| | <u>2001</u> | 2002 | | <u>2003</u> | | <u>2004</u> | | <u>2005</u> | | <u> 2006</u> |
| | | | | | | | | | | |
| | | | | | _ | | _ | | _ | 444.007 |
| \$ | 346,866 | \$ 295,651 | \$ | 186,695 | \$ | 101,876 | \$ | 457,994 | \$ | 111,897 |
| _ | 4,685,891 | 5,813,801 | _ | 6,061,147 | _ | 4,893,694 | _ | 4,377,045 | _ | 7,157,948 |
| | 5,032,757 | 6,109,452 | | 6,247,842 | | 4,995,570 | | 4,835,039 | | 7,269,845 |
| _ | <u> </u> | | _ | | | | | | | |
| | | | | | | | | | | |
| | 10,044,713 | 4,192,355 | | 1,499,638 | | 808,170 | | 984,813 | | 433,822 |
| | | , , | | , . | | | | | | |
| | 2,860,446 | 3,005,913 | | 3,812,868 | | 5,774,959 | | 5,270,858 | | 5,701,059 |
| | 5,004,076 | 2,935,567 | | 4,633,919 | | 4,660,740 | | 5,492,737 | | 8,732,591 |
| | 364,339 | 312,159 | | 302,958 | | 197,906 | _ | 241,703 | | 247,824 |
| | 18,273,574 | 10,445,994 | | 10,249,383 | | 11,441,775 | | 11,990,111 | | 15,115,296 |
| _ | | | | | _ | | | | | |
| | 23,306,331 | 16,555,446 | | 16,497,225 | | 16,437,345 | | 16,825,150 | | 22,385,141 |
| - | 20,000,001 | 10,000, | _ | 10,701,220 | _ | 10, 101,010 | _ | .0,020,100 | _ | ,, |
| | | 503,546 | | 758,091 | | _ | | _ | | _ |
| - | | 303,340 | - | 130,031 | _ | | _ | | _ | |
| ¢ | 23,306,331 | \$ 17,058,992 | s | 17,255,316 | \$ | 16,437,345 | \$ | 16,825,150 | s | 22,385,141 |
| 4 | 20,000,001 | Ψ 17,000,002 | Ψ | 17,200,010 | * | 10, 107,070 | * | , | * | ,, |

CITY OF WYOMING, MICHIGAN CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED) Last Ten Fiscal Years

(modified accrual basis of accounting)

| Revenues | 1997 | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>Fiscal</u> 2001 |
|--|---------------|---------------|----------------|---------------|-----------------------|
| Taxes (see Schedule 6) | \$ 14,823,099 | \$ 17,196,606 | \$ 18,085,237 | \$ 18,770,634 | \$ 19,542,846 |
| Licenses and permits | 1,116,409 | 1,165,872 | 1,375,388 | 1,512,592 | 1,335,730 |
| Fines and penalties | 1,520,904 | 1,603,615 | 1,765,123 | 1,934,188 | 1,754,687 |
| Fees and services charges | 1,791,257 | 1,714,628 | 1,816,113 | 2,103,803 | 2,261,689 |
| Special assessments | 936,609 | 1,028,190 | 1,247,576 | 916,156 | 592,436 |
| Intergovernmental | 10,096,879 | 11,218,007 | 11,978,303 | 12,715,597 | 13,989,995 |
| Building rental | - | - | · - | 1,027,280 | 1,646,190 |
| Investment earnings | 655,365 | 1,210,320 | 1,491,673 | 1,855,729 | 2,657,192 |
| Other revenues | 2,976,328 | 1,586,807 | 2,322,510 | 1,681,682 | 881,105 |
| Total revenues | 33,916,850 | 36,724,045 | 40,081,923 | 42,517,661 | 44,661,870 |
| Expenditures | | | | | |
| General government | 3,485,795 | 3,444,053 | 3,973,459 | 4,553,559 | 4,791,439 |
| Public safety | 15,668,199 | 16,937,072 | 19,999,338 | 22,838,400 | 18,351,145 |
| Legislative | 88,454 | 96,010 | 111,612 | 119,753 | 116,033 |
| Judicial | 1,094,295 | 1,050,155 | 1,110,777 | 1,233,434 | 1,328,259 |
| Public works | 4,383,083 | 4,657,792 | 5,053,231 | 6,022,099 | 5,994,138 |
| Health and welfare | 1,032,046 | 1,225,448 | 1,095,729 | 1,152,843 | 1,201,437 |
| Recreation and welfare | 2,837,420 | 2,848,630 | 2,852,106 | 3,598,263 | 3,535,710 |
| Miscellaneous | 912,944 | 699,843 | 418,339 | 633,700 | 175,913 |
| Capital outlay | 9,395,616 | 9,264,602 | 6,668,181 | 4,941,547 | 9,686,268 |
| Debt service: | | | | | |
| Interest | 725,250 | 716,262 | 1,272,053 | 1,586,577 | 2,081,030 |
| Principal | 317,251 | 1,171,091 | 1,796,476 | 1,981,046 | 2,336,970 |
| Bond issuance costs | | | | - | - |
| Total expenditures | 39,940,353 | 42,110,958 | 44,351,301 | 48,661,221 | 49,598,342 |
| Excess of revenues over (under) expenditures | (6,023,503) | (5,386,913) | (4,269,378) | (6,143,560) | (4,936,472) |

| <u>Year</u> | | | | | | | |
|---------------|---------------|----|-------------|----|-------------|----|--------------|
| <u>2002</u> | <u>2003</u> | | 2004 | | <u>2005</u> | | <u>2006</u> |
| | | | | | | | |
| \$ 20,656,889 | \$ 21,578,233 | \$ | 22,023,195 | \$ | 22,375,943 | \$ | 23,081,246 |
| 1,537,824 | 1,549,431 | | 2,022,922 | | 2,122,831 | | 2,320,581 |
| 2,077,551 | 2,129,467 | | 2,067,160 | | 1,915,007 | | 1,868,488 |
| 2,545,030 | 2,675,018 | | 3,217,793 | | 3,142,373 | | 4,069,426 |
| 692,506 | 788,063 | | 1,044,020 | | 676,728 | | 1,182,206 |
| 13,946,692 | 13,000,930 | | 12,375,428 | | 13,386,102 | | 13,006,320 |
| 1,680,782 | 1,727,627 | | 1,760,162 | | 1,761,963 | | 1,742,150 |
| 1,560,118 | 987,497 | | 699,850 | | 910,753 | | 1,176,220 |
| 856,963 | 1,144,038 | _ | 1,788,237 | _ | 1,098,211 | _ | 729,303 |
| 45 554 355 | 4E E90 204 | | 46 000 767 | | 47 200 011 | | . 40 176 040 |
| 45,554,355 | 45,580,304 | _ | 46,998,767 | _ | 47,389,911 | _ | 49,175,940 |
| | | | | | | | |
| 4.864.227 | 5,179,795 | | 6,208,622 | | 5,981,939 | | 6,083,123 |
| 18,539,928 | 19,697,175 | | 20,245,845 | | 19,792,415 | | 19,932,029 |
| 104,372 | 117,795 | | 109,478 | | 104,304 | | 100,650 |
| 1,449,189 | 1,542,502 | | 1,767,718 | | 1,770,363 | | 1,792,614 |
| 6,386,647 | 6,066,454 | | 6,507,220 | | 5,758,213 | | 6,496,872 |
| 1,271,194 | 781,435 | | 908,043 | | 1,223,234 | | 884,215 |
| 4,273,839 | 3,824,221 | | 3,729,076 | | 4,371,601 | | 4,636,937 |
| 189,210 | 181,322 | | 163,006 | | 221,567 | | 159,993 |
| 12,258,408 | 6,957,902 | | 4,278,241 | | 4,867,696 | | 9,328,723 |
| | | | | | | | |
| 2,677,358 | 1,845,377 | | 1,802,320 | | 1,712,320 | | 1,558,018 |
| 1,912,986 | 2,443,283 | | 2,688,818 | | 2,404,414 | | 2,710,339 |
| | | | • | _ | 221,591 | _ | • |
| 53,927,358 | 48,637,261 | | 48,408,387 | _ | 48,429,657 | _ | 53,683,513 |
| | | | | | | | |
| (8,373,003) | (3,056,957) | | (1,409,620) | _ | (1,039,746) | _ | (4,507,573) |

(Continued)

CITY OF WYOMING, MICHIGAN CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (UNAUDITED) Last Ten Fiscal Years

(modified accrual basis of accounting) (Continued)

| Other financing sources (uses) | <u>1997</u> | <u>1998</u> | 1999 | <u>2000</u> | <u>Fiscal</u> <u>2001</u> |
|--|--------------------|----------------------|-----------------------|----------------------|------------------------------|
| Bonds issued Premiums on bonds issued | \$ 12,971,978 - | \$ 20,799,241 | \$ 1,320,000 | \$ 12,655,000 | \$ - - |
| Discount on bonds issued | - | - | - | - | - |
| Payments to escrow Proceeds from sale of capital assets | - | - | - | - | - |
| Proceeds from capital leases | - | - | 625,511 | - | - - |
| Transfers in Transfers out | 4,044,048 | 8,764,333 | 10,807,411 | 17,228,075 | 8,288,161 |
| Transfers out | <u>(4,044,048)</u> | (10,139,260) | <u>(10,285,535</u>) | (18,083,547) | (8,628,983) |
| Total other financing sources (uses) | 12,971,978 | 19,424,314 | 2,467,387 | 11,799,528 | (340,822) |
| Net change in fund balances | \$ 6,948,475 | \$ 14,037,401 | <u>\$ (1,801,991)</u> | \$ 5,655,968 | \$ (5,277,294) |
| Debt service as a percentage of | | | | | |
| noncapital expenditures | 3.5% | 6.1% | 8.9% | 8.9% | 12.4% |

| <u>Ye</u> | <u>2002</u> | | <u>2003</u> | | <u>2004</u> | | 2005 | | 2006 | |
|-----------|-------------|----|-------------|----|-----------------|-----------|-------------------------|----|------------------------|--|
| \$ | 800,000 | \$ | 2,410,000 | \$ | 570,000 - | \$ | 13,070,000 1,040,744 | \$ | 8,105,000 (120,794) | |
| | (12,000) | | (102,339) | | (27,438) | | - | | - | |
| | - | | - | | - | | (13,888,434) | | - | |
| | 834,118 | | 187,530 | | 49,087 | | 1,205,241 | | 751,437 | |
| | - | | - | | - | | - | | - | |
| | 9,483,278 | | 9,231,630 | | 7,583,625 | | 6,773,412 | | 7,110,088 | |
| _ | (9,483,278) | | (9,231,630) | | (7,583,625) | _ | (6,773,412) | | (7,110,088) | |
| | | | | | | | | | | |
| _ | 1,622,118 | _ | 2,495,191 | _ | 5 <u>91,649</u> | _ | 1, <u>427,551</u> | _ | 8,735,643 | |
| \$ | (6,750,885) | \$ | (561,766) | \$ | (817,971) | <u>\$</u> | 387,805 | \$ | 4,228,070 | |
| | 12.4% | | 11.5% | | 11.3% | | 10.5% | | 10.6% | |

CITY OF WYOMING, MICHIGAN TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (UNAUDITED) Last Ten Fiscal Years

(modified accrual basis of accounting)

| Fiscal Year | Real Property ^a | Personal <u>Property</u> | Total <u>Levied</u> | D | elinquent <u>Taxes</u> | | <u>Total</u> |
|----------------|-------------------------------|-----------------------------|------------------------|----|---------------------------|---|--------------|
| 1997 | \$ 11,515,468 | \$ 2,710,870 | \$ 14,226,337 | \$ | 596.762 | s | 14.823.099 |
| 1998 | 13,408,307 | 3,162,430 | 16,570,736 | • | 625,870 | • | 17,196,606 |
| 1999 | 14,137,089 | 3,305,441 | 17,442,530 | | 642,707 | | 18,085,237 |
| 2000 | 14,256,626 | 3,336,521 | 17,593,147 | | 1,177,487 | | 18,770,634 |
| 2001 | 15,501,888 | 3,378,840 | 18,880,728 | | 662,118 | | 19,542,846 |
| 2002 | 16,510,784 | 4,184,995 | 20,695,779 | | (38,890) | | 20,656,889 |
| 2003 | 17,284,170 | 4,294,517 | 21,578,687 | | (454) | | 21,578,233 |
| 2004 | 17,897,575 | 4,172,254 | 22,069,829 | | (46,634) | | 22,023,195 |
| 2005 | 18,650,657 | 4,062,355 | 22,713,013 | | (337,070) | | 22,375,943 |
| 2006 | 19,070,889 | 3,796,047 | 22,866,936 | | 511,636 | | 22,355,300 |
| Change | | | | | | | |
| 1997–2006 | 60.4% | 71.4% | | | | | 66.3% |

Notes:

^a The City was able to keep its property tax rates fairly stable during the last three years of this schedule because of substantial growth in property tax values. (See Schedule 7.)

CITY OF WYOMING, MICHIGAN ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (UNAUDITED)

Last Ten Fiscal Years (in thousands of dollars)

| Fiscal Year | residential Property | _ | ersonal Property | ln | nmercial/ dustrial roperty | Total Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Value as a Percentage of Actual Taxable Value |
|----------------|-------------------------|----|---------------------|----|----------------------------------|--------------------------------|--------------------------------|------------------------------------|--|
| 1997 | \$ 1,147,000 | \$ | 232,303 | \$ | 57,374 | \$ 1,436,677 | 9.997 | \$ 2,873,354 | 50.00% |
| 1998 | 1,207,000 | | 240,477 | | 58,325 | 1,505,802 | 11.167 | 3,011,605 | 50.00% |
| 1999 | 1,313,000 | | 253,970 | | 56,599 | 1,623,569 | 11.167 | 3,247,138 | 50.00% |
| 2000 | 1,395,000 | | 269,315 | | 53,731 | 1,718,047 | 11.124 | 3,436,094 | 50.00% |
| 2001 | 1,475,353 | | 254,695 | | 65,959 | 1,796,006 | 11.194 | 3,592,013 | 50.00% |
| 2002 | 1,577,031 | | 266,561 | | 82,389 | 1,925,981 | 11.094 | 3,851,962 | 50.00% |
| 2003 | 1,737,450 | | 283,358 | | 93,964 | 2,114,772 | 10.977 | 4,229,543 | 50.00% |
| 2004 | 1,877,373 | | 290,118 | | 78,115 | 2,245,607 | 10.877 | 4,491,214 | 50.00% |
| 2005 | 1,951,181 | | 277,526 | | 120,645 | 2,349,352 | 11.007 | 4,698,706 | 50.00% |
| 2006 | 2,033,486 | | 267,616 | | 126,044 | 2,429,152 | 10.708 | 4,858,304 | 50.00% |

Source: City of Wyoming Assessor Office.

Notes: From 1995, the credit on taxable value on properties within the State of Michigan is limited to the rate of inflation or 5%, creating a variance between assessed and taxable value.

CITY OF WYOMING, MICHIGAN DIRECT AND OVERLAPPING NON-HOMESTEAD PROPERTY TAX RATES (UNAUDITED) Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

| | | | | | | City Direct |
|--|---|--|---|---|--|---|
| Fiscal Year | Basic Rate | Debt Service | Police | Fire | Sidewalk Snow Removal | Sewer Water Improvement |
| 1997 | 4.670 | 0.560 | _ | 0.750 | 0.100 | 1.868 |
| 1998 | 4.670 | 0.480 | 1.250 | 0.750 | 0.100 | 1.868 |
| 1999 | 4.670 | 0.480 | 1.250 | 0.750 | 0.100 | 1.868 |
| 2000 | 4.670 | 0.354 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2001 | 4.670 | 0.670 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2002 | 4.670 | 0.670 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2003 | 4.670 | 0.460 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2004 | 4.670 | 0.410 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2005 | 4.670 | 0.320 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2006 | 4.670 | 0.290 | 1.250 | 0.750 | 0.150 | 1.868 |
| | | | | | | |
| | _ | | Grand | | | Overlapping Non- |
| Finest | Kant | | Rapids | | 0.46 | Non- |
| Fiscal | Kent | | Rapids Community | Kent | Godfrey- | Non- Godwin |
| Fiscal Year | Kent County | Library | Rapids | Kent Intermediate | Godfrey- Lee | Non- |
| | | Library 0.000 | Rapids Community | • | • | Non- Godwin Heights |
| Year | County | | Rapids Community College | Intermediate 3.880 | 26.900 | Godwin Heights |
| Year1997 | 5.101 | 0.000 | Rapids Community College 1.829 1.829 | 3.880 3.880 | 26.900 30.430 | Godwin Heights 19.000 19.000 |
| Year 1997 1998 | 5.101 5.111 | 0.000 | Rapids Community College 1.829 1.829 1.828 | 3.880 3.880 3.878 | 26.900 | Godwin Heights 19.000 19.000 19.000 |
| Year 1997 1998 1999 | 5.101 5.111 5.366 | 0.000 0.000 0.680 | Rapids Community College 1.829 1.829 | 3.880 3.880 | 26.900 30.430 30.430 | Godwin Heights 19.000 19.000 |
| Year 1997 1998 1999 2000 | 5.101 5.111 5.366 5.355 | 0.000 0.000 0.680 0.643 | Rapids Community College 1.829 1.829 1.828 1.820 | 3.880 3.880 3.878 3.863 | 26.900 30.430 30.430 30.430 | Godwin Heights 19.000 19.000 19.000 19.000 |
| 1997 1998 1999 2000 2001 | 5.101 5.111 5.366 5.355 5.334 | 0.000 0.000 0.680 0.643 0.840 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 | 3.880 3.880 3.878 3.863 3.843 | 26.900 30.430 30.430 30.430 30.414 | Godwin Heights 19.000 19.000 19.000 21.150 |
| 1997 1998 1999 2000 2001 2002 2003 2004 | 5.101 5.111 5.366 5.355 5.334 5.323 | 0.000 0.000 0.680 0.643 0.840 0.879 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 1.805 | 3.880 3.880 3.878 3.863 3.843 3.830 | 26.900 30.430 30.430 30.430 30.414 30.413 | Godwin Heights 19.000 19.000 19.000 19.000 21.150 10.600 |
| Year 1997 1998 1999 2000 2001 2002 2003 | 5.101 5.111 5.366 5.355 5.334 5.323 5.314 | 0.000 0.000 0.680 0.643 0.840 0.879 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 1.805 1.800 | 3.880 3.880 3.878 3.863 3.843 3.830 3.819 | 26.900 30.430 30.430 30.430 30.414 30.413 29.825 | 9.000 19.000 19.000 19.000 21.150 10.600 |

Source: City of Wyoming Treasurer's Office.

Notes: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

^a Overlapping rates are those of local and county governments that apply to property owners within the City of Wyoming. Not all overlapping rates apply to all property owners.

^b Total includes the Wyoming school district rate

| Dates | | |
|-------|--|--|
| | | |
| | | |

| Library | Parks & Recreation | Yard Waste Disposal | Public Transportation | Total Direct Rate |
|---------|--------------------------|---------------------------|--------------------------|-------------------------|
| 0.300 | 1.500 | 0.000 | 0.250 | 9.997 |
| 0.300 | 1.500 | 0.000 | 0.250 | 11.167 |
| 0.300 | 1.500 | 0.000 | 0.250 | 11.167 |
| 0.300 | 1.500 | 0.000 | 0.000 | 10.877 |
| 0.300 | 1.500 | 0.000 | 0.000 | 11.194 |
| 0.200 | 1.500 | 0.000 | 0.000 | 11.094 |
| 0.150 | 1.500 | 0.170 | 0.000 | 10.977 |
| 0.100 | 1.500 | 0.170 | 0.000 | 10.877 |
| 0.100 | 1.500 | 0.170 | 0.000 | 10.787 |
| 0.080 | 1.500 | 0.150 | 0.000 | 10.708 |

Rates *

Homestead Rates

| Grandville | Kelloggsville | Byron Center | Kentwood | Wyoming | State Educat | |
|------------|---------------|-----------------|----------|----------|-----------------|------------|
| 25.170 | 24.994 | 26.000 | 23.890 | \$ 22.28 | \$ 6 | .00 49.088 |
| 25.170 | 21.558 | 26.000 | 23.400 | 19.55 | 6 | .00 47.537 |
| 25.170 | 23.458 | 25.998 | 23.398 | 23.22 | 6 | .00 52.140 |
| 25.170 | 23.458 | 25.998 | 23.398 | 23.22 | 6 | 51.778 |
| 24.738 | 23.760 | 25.998 | 23.395 | 23.00 | 6 | .00 52.022 |
| 24.232 | 11.850 | 12.998 | 11.698 | 22.90 | 6 | .00 51.831 |
| 24.232 | 11.750 | 12.997 | 11.696 | 22.70 | 6 | .00 51.487 |
| 23.960 | 11.352 | 12.992 | 11.696 | 22.70 | 6 | .00 51.339 |
| 24.113 | 11.750 | 12.992 | 11.846 | 22.70 | 6 | .00 52.001 |
| 24.113 | 11.750 | 12.992 | 11.937 | 22.70 | 6 | .00 52.034 |

CITY OF WYOMING, MICHIGAN DIRECT AND OVERLAPPING HOMESTEAD PROPERTY TAX RATES (UNAUDITED)

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

| | | - | | | | - | City Disser |
|--|-----------|---|--|---|---|---|---|
| | | | <u>·</u> | | | | City Direct |
| | | | | | | Sidewalk | Sewer |
| Fiscal | - | asic | Debt | | | Snow | Water |
| Year | | Rate | Service | <u>Police</u> | Fire | Removal | Improvements |
| 1997 | | 4.670 | 0.560 | | 0.750 | 0.100 | 1.868 |
| 1998 | | 4.670 | 0.480 | 1.250 | 0.750 | 0.100 | 1.868 |
| 1999 | | 4.670 | 0.480 | 1.250 | 0.750 | 0.100 | 1.868 |
| 2000 | | 4.670 | 0.354 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2001 | | 4.670 | 0.670 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2002 | | 4.670 | 0.670 | 1.250 | 0.750 | 0.187 | 1.868 |
| 2003 | | 4.670 | 0.460 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2004 | | 4.670 | 0.410 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2005 | • | 4.670 | 0.320 | 1.250 | 0.750 | 0.160 | 1.868 |
| 2006 | • | 4.670 | 0.290 | 1.250 | 0.750 | 0.150 | 1.868 |
| | | | | | | | Overlanning |
| | | | | Grand | | | |
| Final | | | | Rapids | | | Overlapping Homestead |
| Fiscal | | (ent | | Rapids Community | Kent | Godfrey- | Homestead Godwin |
| Fiscal Year | | Cent | Library | Rapids | Kent Intermediate | Godfrey- Lee | Homestead |
| | <u>Co</u> | | Library 0.000 | Rapids Community | | | Homestead Godwin Heights |
| Year | | unty _ | | Rapids Community College | Intermediate | 8.900 | Homestead Godwin Heights |
| Year | <u>Co</u> | ounty _ 5.101 | 0.000 | Rapids Community College | Intermediate 3.880 | 8.900 12.430 | Godwin Heights 1.000 |
| Year 1997 1998 | | 5.101 5.111 | 0.000 | Rapids Community College 1.829 1.829 | 3.880 3.880 | 8.900 | Godwin Heights 1.000 1.000 |
| Year 1997 1998 1999 | Co | 5.101 5.111 5.366 | 0.000 0.000 0.680 | Rapids Community College 1.829 1.829 1.828 | 3.880 3.880 3.878 | 8.900 12.430 12.430 | Godwin Heights 1.000 1.000 1.000 |
| Year 1997 1998 1999 2000 | | 5.101 5.111 5.366 5.355 | 0.000 0.000 0.680 0.643 | Rapids Community College 1.829 1.829 1.828 1.820 | 3.880 3.880 3.878 3.863 | 8.900 12.430 12.430 12.430 | Godwin Heights 1.000 1.000 1.000 3.150 |
| Year 1997 1998 1999 2000 2001 | | 5.101 5.111 5.366 5.355 5.334 | 0.000 0.000 0.680 0.643 0.840 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 | 3.880 3.880 3.878 3.863 3.843 | 8.900 12.430 12.430 12.430 12.414 | Godwin Heights 1.000 1.000 1.000 3.150 1.600 |
| Year 1997 1998 1999 2000 2001 2002 | | 5.101 5.111 5.366 5.355 5.334 5.323 | 0.000 0.000 0.680 0.643 0.840 0.879 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 1.805 | 3.880 3.880 3.878 3.863 3.843 3.830 | 8.900 12.430 12.430 12.430 12.414 12.413 | Godwin Heights 1.000 1.000 1.000 3.150 1.600 |
| Year 1997 1998 1999 2000 2001 2002 2003 | | 5.101 5.111 5.366 5.355 5.334 5.323 5.314 | 0.000 0.000 0.680 0.643 0.840 0.879 | Rapids Community College 1.829 1.829 1.828 1.820 1.811 1.805 1.800 | 3.880 3.880 3.878 3.863 3.843 3.830 3.819 | 8.900 12.430 12.430 12.430 12.414 12.413 12.194 | Homestead Godwin |

Source: City of Wyoming Treasurer's Office.

Notes: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

^a Overlapping rates are those of local and county governments that apply to property owners within the City of Wyoming. Not all overlapping rates apply to all property owners.

^b Total includes the Wyoming school district rate

| Library | Parks & Recreation | Yard Waste Disposal | Public Transportation | Total Direct Rate |
|---------|--------------------------|---------------------------|--------------------------|-------------------------|
| 0.300 | 1.500 | 0.000 | 0.250 | 9.997 |
| 0.300 | 1.500 | 0.000 | 0.250 | 11.167 |
| 0.300 | 1.500 | 0.000 | . 0.250 | 11.167 |
| 0.300 | 1.500 | 0.000 | 0.000 | 10.877 |
| 0.300 | 1.500 | 0.000 | 0.000 | 11.194 |
| 0.200 | 1.500 | 0.000 | 0.000 | 11.094 |
| 0.150 | 1.500 | 0.170 | 0.000 | 10.977 |
| 0.100 | 1.500 | 0.170 | 0.000 | 10.877 |
| 0.100 | 1.500 | 0.170 | 0.000 | 10.787 |
| 0.080 | 1.500 | 0.150 | 0.000 | 10.707 |

Rates *

Rates

| Grandville | Kelloggsville | Byron Center | Kentwood | Wy | oming | State ication | Total Rate ^b |
|------------|---------------|-----------------|----------|----|-------|------------------|----------------------------|
| | | | | | | | |
| 7.170 | 6.994 | 8.000 | 5.101 | \$ | 4.28 | \$ 6.00 | 31.088 |
| 7.170 | 3.600 | 8.000 | 5.400 | | 1.55 | 6.00 | 29.537 |
| 7.170 | 5.500 | 7.898 | 5.398 | | 5.22 | 6.00 | 34.140 |
| 7.170 | 5.760 | 4.998 | 5.398 | | 5.22 | 6.00 | 33.778 |
| 6.738 | 5.760 | 7.998 | 5.395 | | 5.00 | 6.00 | 34.022 |
| 6.232 | 2.850 | 3.998 | 2.698 | | 4.90 | 6.00 | 33.831 |
| 6.232 | 2.750 | 3.997 | 2.696 | | 4.70 | 6.00 | 33.487 |
| 6.113 | 2.750 | 3.992 | 2.696 | | 4.70 | 6.00 | 33.339 |
| 6.113 | 2.750 | 3.992 | 2.846 | | 4.70 | 6.00 | 34.001 |
| 6.113 | 2.750 | 3.992 | 2.937 | | 4.70 | 6.00 | 34.033 |

CITY OF WYOMING, MICHIGAN PRINCIPAL PROPERTY TAXPAYERS (UNAUDITED) Current Year and Seven Years Ago

| | | 2006 | | | 1999 | |
|--|------------------------------|------|---|------------------------------|------|---|
| <u>Taxpayer</u> | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total City Taxable Assessed Value |
| General Motors Corp. | \$ 110,402,900 | 1 | 4.36% | \$ 75,658,800 | 1 | 4.28% |
| Delphi (formerly General Motors Corp. Rochester) | 42,238,200 | 2 | 1.67% | 52,755,100 | 2 | 2.99% |
| Consumers Power Company | 27,771,000 | 3 | 1.10% | 28,515,900 | 3 | 1.61% |
| Gordon Food Service | 27,361,400 | 4 | 1.08% | 25,907,700 | 4 | 1.47% |
| Ramblewood Associates | 21,313,900 | 5 | 0.84% | 20,793,400 | 6 | 1.18% |
| Bentler Industries | 20,729,300 | 6 | 0.82% | 19,056,200 | 7 | 1.08% |
| Metropolitan Hospital | 19,496,100 | 7 | 0.77% | | | |
| United Parcel Services | 13,359,100 | 8 | 0.53% | 14,808,100 | 8 | 0.84% |
| Home Depot | 11,118,500 | 9 | 0.44% | | | |
| First Wyoming Plaza | 9,493,800 | 10 | 0.37% | | | |
| Steelcase, Inc. | | | | 25,182,700 | 5 | 1.43% |
| Country Fresh, Inc. | | | | 9,485,400 | 9 | 0.54% |
| Holland American Wafer | | | | 8,719,500 | 10 | 0.49% |
| Total | \$ 303,284,200 | | 11.98% | \$ 280,882,800 | | 15.91% |

Source: City of Wyoming Assessor's Office.

CITY OF WYOMING, MICHIGAN PROPERTY TAX LEVIES AND COLLECTIONS (UNAUDITED) Last Ten Fiscal Years

| Fiscal Year | Ţ | axes Levied | | Collected v | | Co | ollections | | Total Collecti | ons to Date |
|-------------------|----|------------------------|----|------------------------|-----------------------|------|---------------------|----|----------------|--------------------|
| Ended June 30, | | for the Fiscal Year | | Amount | Percentage of Levy | in S | in Subsequent Years | | Amount | Percentage of Levy |
| 1997 | \$ | 14,692,298 | \$ | 13,729,296 | 93.45% | \$ | 878,565 | \$ | 14,607,861 | 99.43% |
| 1998 | | 16,570,736 | | 16,527,3 44 | 99.74% | | 33,886 | | 16,561,230 | 99.94% |
| 1999 | | 17,442,530 | | 16,887,742 | 96.82% | | 538,480 | | 17,426,222 | 99.91% |
| 2000 | | 17,593,147 | | 16,976,507 | 96.49% | | 592,076 | | 17,568,583 | 99.86% |
| 2001 | | 18,880,728 | | 18,796,959 | 99.56% | | 43,535 | | 18,840,494 | 99.79% |
| 2002 | | 20,695,779 | | 18,317,264 | 88.51% | | 2,314,990 | | 20,632,254 | 99.69% |
| 2003 | | 21,578,687 | | 20,816,636 | 96.47% | | 696,594 | | 21,513,230 | 99.70% |
| 2004 | | 22,069,829 | | 21,507,617 | 97.45% | | 478,498 | | 21,986,115 | 99.62% |
| 2005 | | 22,713,013 | | 21,958,093 | 96.68% | | 657,209 | | 22,615,302 | 99.57% |
| 2006 | | 22,866,936 | | 22,355,300 | 97.76% | | 360,392 | | 22,715,692 | 99.34% |

Sources: City of Wyoming Finance and Treasurer's Office.

CITY OF WYOMING, MICHIGAN RATIOS OF OUTSTANDING DEBT BY TYPE (UNAUDITED)

Last Ten Fiscal Years

(dollars in thousands, except per capita)

| Fiscal Year | Year Bonds | | nsportation ral Obligation Bonds | Governmer Library General Obligation Bonds | <u>tal #</u> | Building Authority Bonds | Ass | pecial essment Bonds | Pu | nicipal rchase eement | dA V & | pensated sences Vorkers' p Claims | Gove | Total ernmental ctivities |
|----------------|------------|-------|--|--|--------------|--------------------------------|-----|----------------------------|----|-----------------------------|-----------|--|------|---------------------------------|
| 1997 | \$ | 5,224 | \$ 3,900 | \$ - | \$ | - | \$ | 1,695 | \$ | 1,857 | \$ | 3,150 | \$ | 15,826 |
| 1998 | | 5,247 | 8,650 | - | | 13,370 | | 3,180 | | 1,259 | | 3,652 | • | 35,358 |
| 1999 | | 4,456 | 9,515 | - | | 12,980 | | 3,020 | | 1,712 | | 5,275 | | 36,958 |
| 2000 | | 3,645 | 8,980 | 6,000 | | 19,295 | | 2,785 | | 1,121 | | 5,248 | | 47,074 |
| 2001 | | 2,827 | 8,415 | 5,865 | | 18,720 | | 2,540 | | 1,516 | | 5,002 | | 44,885 |
| 2002 | | 2,006 | 8,620 | 5,635 | | 18,050 | | 2,305 | | 1,144 | | 5,455 | | 43,215 |
| 2003 | | 1,561 | 9,235 | 5,370 | | 17,350 | | 3,190 | | 772 | | 5,634 | | 43,112 |
| 2004 | | 1,113 | 8,475 | 5,070 | | 16,615 | | 3,440 | | 400 | | 5.663 | | 40,776 |
| 2005 | | 984 | 7,680 | 4,730 | | 15,645 | | 3,070 | | 200 | | 5,368 | | 37,677 |
| 2006 ª | | 848 | 6,845 | 4,365 | | 14,755 | | 10,690 | | - | | 5,081 | | 42,584 |

| | | _ | | | _ | | | Business-Ty | /pe Ac | tivities | | | | | | |
|----------------|---------------------------|--------|------------------------|-------|--------------|-------|--|-------------|----------------------------|----------|---------------------------|--------|--|-------|-------------------------|-------|
| Fiscal Year | Water Revenue Bonds | | Water Sewer Bond | | Sewer Supply | | General Obligation Water Bond | | Water Refunding Bond | | Sewer Revenue Bonds | | General Obligation Sewer Bond | | Compensated Absences | |
| 1997 | \$ | 2,865 | \$ | 1,875 | \$ | 1,943 | \$ | - | \$ | 16,475 | \$ | 4,075 | \$ | 548 | s | 718 |
| 1998 | | 3,865 | | 1,500 | | 8,835 | | 252 | | 8,280 | | 8,765 | | 1,176 | • | 779 |
| 1999 | | 3,580 | | 1,125 | | 8,150 | | 243 | | 7,700 | | 9,875 | | 1,122 | | 849 |
| 2000 | | 3,825 | | 725 | | 7,900 | | 229 | | 6,675 | | 9,095 | | 1,056 | | 965 |
| 2001 | | 3,460 | | 300 | | 7.635 | | 216 | | 5,675 | | 8,850 | | 987 | | 970 |
| 2002 | | 10,945 | | • | | 6,855 | | 201 | | 5,130 | | 8,470 | | 914 | | 1,029 |
| 2003 | | 14,420 | | - | | 6,060 | | 186 | | 4,590 | | 11,875 | | 837 | | 1,036 |
| 2004 | | 15,005 | | - | | 5 745 | | 170 | | 3,910 | | 11,950 | | 757 | | 1,110 |
| 2005 | | 14,685 | | - | | 5,660 | | 152 | | 3,195 | | 11,310 | | 674 | | 1,155 |
| 2006 | | 18,015 | | - | | 5,250 | | 134 | | 2,445 | | 52,155 | | 587 | | 1,206 |

| | | Comp | onent Ur | nits | | | | | |
|----------------|-------------------------------------|------|----------------------------------|------|-----------------------------------|---------|---------------------------------------|----------------------------|-------|
| Fiscal Year | Downtown Development Authority Note | | Housing Commission Payable | | Total Government Obligation | | Percentage of Personal Income * | Per Capita ^a | |
| 1997 | \$ | _ | \$ | - | \$ | 44,325 | 4.00% | \$ | 670 |
| 1998 | | - | | | | 68,810 | 6.04% | | 1,034 |
| 1999 | | - | | - | | 69,602 | 5.91% | | 1,041 |
| 2000 | | - | | - | | 77,544 | 6.59% | | 1,160 |
| 2001 | | 320 | | 6 | | 73,304 | 6.00% | | 1,057 |
| 2002 | | 294 | | 38 | | 77,091 | 5.73% | | 1,105 |
| 2003 | | 266 | | 64 | | 82,446 | 6.10% | | 1,177 |
| 2004 | | 238 | | 56 | | 79,717 | 3.82% | | 1,138 |
| 2005 | | 207 | | 65 | | 74,780 | 4.45% | | 1,064 |
| 2006 | | 175 | | 73 | | 122,624 | 7.24% | | 1,749 |

Notes: Details regarding the City's outstanding debt can be found in the notes to basic financial statements.

^a See Schedule 16 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

| Percentage of Personal Income * | Per ipita * |
|---------------------------------------|----------------|
| 1.43% | \$ 239 |
| 3.10% | 531 |
| 3.14% | 553 |
| 4.00% | 704 |
| 3.68% | 647 |
| 3.21% | 619 |
| 3.19% | 616 |
| 1.95% | 582 |
| 2.24% | 536 |
| 2.51% | 607 |

| Total Primary vernment | Percentage of Personal Income ^a | Per Capita * |
|------------------------------|--|-----------------|
| \$ 44,325 | 4.00% | \$ 670 |
| 68,810 | 6.04% | 1,034 |
| 69,602 | 5.91% | 1,041 |
| 77,544 | 6.59% | 1,160 |
| 72, 9 78 | 5.98% | 1,052 |
| 76,759 | 5.70% | 1,100 |
| 82,116 | 6.07% | 1,172 |
| 79,423 | 3.81% | 1,134 |
| 74,508 | 4.44% | 1,060 |
| 122.376 | 7.22% | 1,745 |

CITY OF WYOMING, MICHIGAN RATIOS OF GENERAL BONDED DEBT OUTSTANDING (UNAUDITED)

Last Ten Fiscal Years

(dollars in thousands, except per capita)

| | | G | eneral Bond | led Debt Outstandi | ing | | | | |
|--------|----|-----------|-------------|--------------------|-----|---------------------------------|----------|----|--------|
| | | | | | | Percentage of Actual Taxable | | | |
| Fiscal | Ot | oligation | 1 | Obligation | | | Value of | | Per |
| Year | | Bonds | | Bonds | | Total | Property | | Capita |
| 1997 | \$ | 10,981 | \$ | 20,841 | \$ | 31,822 | 1.11% | \$ | 480.71 |
| 1998 | | 28,526 | | 20,043 | | 48,569 | 1.61% | Ť | 730.05 |
| 1999 | | 28,663 | | 18,340 | | 47,003 | 1.45% | | 703.03 |
| 2000 | | 39,041 | | 16,585 | | 55,626 | 1.62% | | 832.00 |
| 2001 | | 37,343 | | 14,813 | | 52,156 | 1.45% | | 751.87 |
| 2002 | | 35,455 | | 13,100 | | 48,555 | 1.26% | | 695.68 |
| 2003 | | 34,288 | | 11,670 | | 45,958 | 1.09% | | 656.19 |
| 2004 | | 31,673 | | 10,582 | | 42,255 | 0.94% | | 603.13 |
| 2005 | | 29,239 | | 9,681 | | 38,920 | 0.83% | | 553.63 |
| 2006 | | 26,813 | | 8,417 | | 35,230 | 0.73% | | 502.41 |

Notes: Details regarding the City's outstanding debt can be found in the notes to basic financial statements.

See Schedule 7 for property value data. Business-type general obligation bonds includes contracts payable for bonds issued by Kent County.

CITY OF WYOMING, MICHIGAN DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (UNAUDITED)

As of June 30, 2006 (dollars in thousands)

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Direct and Overlapping Debt |
|-----------------------------------|---------------------|---------------------------------------|--|
| Debt repaid with property taxes | | | |
| Byron Center Public Schools | \$ 79,830,953 | 0.210% | \$ 167,645 |
| Godfrey Lee Public Schools | 18,435,572 | 100.000% | 18,435,572 |
| Godwin Heights Public Schools | 11,370,000 | 88.400% | 10,051,080 |
| Grandville Public Schools | 40,950,000 | 25.170% | 10,307,115 |
| Kelloggsville Public Schools | 16,365,000 | 62.930% | 10,298,495 |
| Kentwood Public Schools | 105,779,000 | 0.460% | 486,583 |
| Wyoming Public Schoold | 42,230,000 | 99.700% | 42,103,310 |
| Other debt | | | |
| Kent County | 76,095,000 | 10.540% | 8,020,413 |
| Grand Rapids Community College | 54,210,000 | 10.260% | 5,561,946 |
| Subtotal, overlapping debt | | | 105,432,159 |
| City direct debt | | | 116,090,008 |
| Total direct and overlapping debt | | | \$ 221,522,167 |

Sources: Assessed value data used to estimate applicable percentages provided by the City of Wyoming Assessor's Office.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Wyoming. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident—and therefore responsible for repaying the debt—of each overlapping government.

CITY OF WYOMING, MICHIGAN LEGAL DEBT MARGIN INFORMATION (UNAUDITED) Last Ten Fiscal Years (dollars in thousands)

| | | | | | | Fiscal Year |
|--|----------------|-----------------------|----------------|-----------------------|----------------|----------------|
| | <u>1997</u> | <u>1998</u> | 1999 | 2000 | 2001 | 2002 |
| Debt limit | \$ 144,356,960 | \$ 142,254,000 | \$ 150,353,500 | \$ 171,804,600 | \$ 179,600,625 | \$ 179,600,625 |
| Total net debt applicable to limit | 30,877,151 | 49,202,619 | 47,657,150 | 56,820,108 | 52,815,660 | 49,402,840 |
| Legal debt margin | \$ 113,479,809 | \$ 93,051,3 <u>81</u> | \$ 102,696,350 | <u>\$ 114,984,492</u> | \$ 126,784,965 | \$ 130,197,785 |
| Total net debt applicable to the limit as a percentage of debt limit | 21.39% | 34.59% | 31.70% | 33.07% | 29.41% | 27.51% |

| Legal Debt Margin | Calaulatian for | Figure Very 2006 |
|---------------------|-----------------|------------------|
| i enal i leht Mamin | Calculation for | FISCAL YEAR ZUUD |

| Assessed value | \$ 2,397,468,900 |
|------------------------------------|------------------|
| Debt limit (10% of assessed value) | 239,746,890 |
| Debt applicable to limit: | |
| General obligation bonds | 116,090,008 |
| Less: Amount set aside for | |
| repayment of general | |
| obligation debt | 70,406,379 |
| Total net debt applicable to limit | 45,683,629 |
| Legal debt margin | \$ 194,063,261 |

| 2003 | 2004 | <u>2005</u> | 2006 |
|----------------|----------------|----------------|----------------|
| \$ 192,598,100 | \$ 224,560,679 | \$ 234,935,280 | \$ 239,746,890 |
| 58,727,041 | 45,097,102 | 41,544,330 | 45,683,629 |
| \$_133,871,059 | \$ 179,463,577 | \$ 193,390,950 | \$ 194,063,261 |
| 30.49% | 20.08% | 17.68% | 19.05% |

CITY OF WYOMING, MICHIGAN PLEDGED-REVENUE COVERAGE (UNAUDITED) Last Ten Fiscal Years

(dollars in thousands)

| | Water Revenue Bonds | | | | | | | | | | |
|--------|---------------------|------------|--------------------|-----------|-----------|-----------|--------------|-----------|----|----------|----------|
| | Utility Service | | Less: Operating | | | Net | | _ | | | |
| Fiscal | | | | | Available | | Debt Service | | | | |
| Year | Charges | | | Expenses | | Revenue | | Principal | | Interest | Coverage |
| 1997 | \$ | 11,715,332 | \$ | 6,600,598 | \$ | 5,114,734 | \$ | 225,000 | \$ | 46,860 | 18.81 |
| 1998 | | 10,674,187 | | 6,266,083 | | 4,408,104 | , | 240,000 | • | 101,181 | 12.92 |
| 1999 | | 12,266,253 | | 6,635,721 | | 5,630,532 | | 285,000 | | 160,817 | 12.63 |
| 2000 | | 13,099,171 | | 7,157,721 | | 5,941,450 | | 310,000 | | 177,406 | 12.19 |
| 2001 | | 15,780,232 | | 7,776,073 | | 8,004,159 | | 365,000 | | 178,082 | 14.74 |
| 2002 | | 15,548,014 | | 7,936,491 | | 7,611,523 | | 140,000 | | 357,463 | 15.30 |
| 2003 | | 16,067,372 | | 8,569,717 | | 7,497,655 | | 310,000 | | 622,788 | 8.04 |
| 2004 | | 15,013,729 | | 8,272,486 | | 6,741,243 | | 410,000 | | 705,371 | 6.04 |
| 2005 | | 16,175,397 | | 9,429,831 | | 6,745,566 | | 460,000 | | 765.662 | 5.50 |
| 2006 | | 17,352,602 | | 9,898,882 | | 7,453,720 | | 1,085,000 | | 973,652 | 3.62 |

Notes: Details regarding the City's outstanding debt can be found in the notes to basic financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Schedule 15

| Sewer Revenue Bonds | | | | | | | General Debt to Total General Expenditures | | | | | | |
|---------------------------------|----|-----------|----|-------------|--------------|----------|--|----------|----------|------------|------------|---------------|----------|
| Utility Less: Service Operating | | | | | Debt Service | | | <u> </u> | Service | General | | | |
| Charges | | Expenses | _ | Revenue | F | rincipal | | nterest | Coverage | Principal | Interest | Expenses | Сочегаде |
| \$ 6,833,000 | \$ | 6,784,989 | \$ | 48,011 | \$ | - | \$ | 40,497 | 1.19 | \$ 725,250 | \$ 317,251 | \$ 15.397.275 | 6.77 |
| 4,635,867 | | 5,968,431 | | (1,332,564) | | 110,000 | | 205,345 | (4.23) | 1,171,091 | 716,262 | 20.569.704 | 9.18 |
| 7,559,809 | | 5,775,024 | | 1,784,765 | | 210,000 | | 419,252 | 2.84 | 1,796,476 | 1,266,811 | 21,686,403 | 14.13 |
| 8,052,780 | | 6,535,394 | | 1,517,386 | | 225,000 | | 456,250 | 2.23 | 1,981,046 | 1,379,576 | 24,349,626 | 13.80 |
| 8,493,948 | | 6,631,349 | | 1,862,599 | | 245,000 | | 447,091 | 2.69 | 2,336,970 | 2,080,630 | 25,264,405 | 17.49 |
| 9,407,030 | | 6,853,182 | | 2,553,848 | | 380,000 | | 435,685 | 3.13 | 2,677,358 | 1,912,986 | 25,765,271 | 17.82 |
| 9,111,856 | | 7,046,561 | | 2,065,295 | | 395,000 | | 502,907 | 2.30 | 2,443,283 | 1,848,377 | 27,255,672 | 15.75 |
| 10,750,891 | | 7,833,343 | | 2,917,548 | | 515,000 | | 569,169 | 2.69 | 2,688,821 | 1,801,665 | 28,418,471 | 15.80 |
| 10,937,102 | | 7,623,434 | | 3,313,668 | | 565,000 | | 581.066 | 2.89 | 2,404,414 | 1,712,320 | 27,632,120 | 14.90 |
| 12,685,152 | | 8,824,496 | | 3,860,656 | 1 | ,280,000 | 2 | ,332,321 | 1.07 | 3,215,621 | 1,728,070 | 27,652,120 | 10.94 |

CITY OF WYOMING, MICHIGAN DEMOGRAPHIC AND ECONOMIC STATISTICS (UNAUDITED)

Last Ten Calendar Years

| Calendar Year | Population | (| Personal Income thousands of dollars) | P | Per Capita ersonal ncome | Median Age | Education Level in Years of Schooling | School Enrollment | Unemployment Rate |
|------------------|------------|----|--|----|-----------------------------------|---------------|---|----------------------|----------------------|
| 1997 | 66,198 | \$ | 1,107,000 | \$ | 16,725 | 30.0 | 12.4 | 13,038 | 3.6% |
| 1998 | 66,528 | | 1,139,000 | | 17,125 | 32 | 12,4 | 13,454 | 3.0% |
| 1999 | 66,858 | | 1,177,000 | | 17,600 | 32 | 12.4 | 12,967 | 3.1% |
| 2000 | 66,858 | | 1,177,000 | | 17,600 | 32 | 12.4 | 12,960 | 3.1% |
| 2001 | 69.368 | | 1,221,000 | | 17,600 | 31.2 | 12.4 | 12,960 | 5.0% |
| 2002 | 69,795 | | 1,346,000 | | 19,287 | 31.2 | 12.4 | 12,762 | 5.8% |
| 2003 | 70,038 | | 1,352,000 | | 19,300 | 31.2 | 12.4 | 13,053 | 8,0% |
| 2004 | 70,060 | | 2,086,000 | | 29,770 | 32.5 | 12.4 | 13,992 | 6.6% |
| 2005 | 70,300 | | 1,680,000 | | 23,902 | 33.6 | 12.4 | 14,465 | 6.4% |
| 2006 ° | 70,122 | | 1,694,000 | | 24,165 | 33.6 | 12.4 | 15,233 | 5.8% |

Sources: Population, median age, and education level information provided by the U.S. Census Department. Personal income and unemployment data provided by the State Department of Commerce and Labor. School enrollment data provided by the various school districts.

Notes: Population, median age, and education level information are based on surveys conducted during the last quarter of the fiscal year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

^a Estimate provided by the U.S. Census Ddepartment.

CITY OF WYOMING, MICHIGAN PRINCIPAL EMPLOYERS (UNAUDITED) Current Year and Nine Years Ago

| | | 2006 | | 1997 | | | |
|--|------------------|------------|---|-----------|------|---|--|
| <u>Employer</u> | Employees | Rank | Percentage of Total City Employment | Employees | Rank | Percentage of Total City Employment | |
| General Motors Corp. | 2,142 | 1 | 4.70% | 2,000 | 1 | 4.47% | |
| Gordon Food Service | 1,486 | 2 | 3.26% | 750 | 3 | 1.68% | |
| United Parcel Services | 800 | 3 | 1.76% | 525 | 6 | 1.18% | |
| Delphi (formerly General Motors Corp. Rochester) | 676 | 4 | 1.48% | 900 | 2 | 2.01% | |
| Consumers Power Company | 508 | 5 | 1.11% | 495 | 7 | 0.93% | |
| Hope Network | 486 | 6 | 1.07% | 486 | 8 | 1.09% | |
| Ml. Turkey Products Co-Op | 480 | 7 | 1.05% | - | | • | |
| Country Fresh, Inc. | 419 | 8 | 0.92% | 390 | 10 | 0.92% | |
| City of Wyoming | 398 | 9 | 0.87% | 413 | 9 | 0.92% | |
| Leon Plastic, Inc. | 3 6 0 | 1 0 | 0.79% | | | - | |
| Siemens (Rapistan) | - | | - | 600 | 5 | 1.34% | |
| Rogers Plaza | | | | 650 | 4 | 1.46% | |
| Total | 6,272 | | 17.01% | 5,520 | | 16.00% | |

Source: City Economic Development Division.

CITY OF WYOMING, MICHIGAN FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM (UNAUDITED)

Last Ten Fiscal Years

| | Full-Time-Equivalent Employees as of June 30 | | | | | | | | | |
|---------------------------|--|-------|-------|--------|--------|--------|--------|--------|--------|-------|
| | 96/97 | 97/98 | 98/99 | 99/00 | 00/01 | 01/02 | 02/03 | 03/04 | 04/05 | 05/06 |
| Function/Program | | | | | | | | | | |
| General government | | | | | | | | | | |
| Management services | 11.5 | 11.5 | 13.5 | 13.5 | 13.75 | 13.75 | 11.75 | 11.75 | 11.25 | 9 |
| Finance | 10 | 10 | 10 | 10 | 11 | 11 | 11 | 10.5 | 9.5 | 7.5 |
| Treasurer | 10 | 10 | 10 | 9.5 | 9.5 | 10 | 10 | 9 | 9 | 8 |
| Information technology | 1 | 2 | 4 | 4 | 4 | 4 | 5 | 11 | 11 | 10 |
| Assessor | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 8.5 | 7.5 | 7.5 | 5.5 |
| Planning | 17.5 | 19.5 | 20 | 20.5 | 21 | 21 | 20 | 20 | 20 | 18.5 |
| Other | 7 | 7 | 7 | 7 | 7 | 7 | 10 | 10 | 10 | 8.5 |
| Police | | | | | | | | | | |
| Officers | 102 | 110 | 116 | 118.5 | 121.5 | 121.5 | 124.5 | 114.5 | 112.5 | 98.0 |
| Civilians | 21 | 24 | 24 | 24 | 26 | 26 | 23 | 25 | 24 | 17.0 |
| Fire | | | | | | | | | | |
| Firefighters and officers | 31 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 29 |
| Civilians | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 | 2 |
| Courts | 17.5 | 18.5 | 18.5 | 18.5 | 22.5 | 23.5 | 23.5 | 23.5 | 23.5 | 21.5 |
| Other public works | | | | | | | | | | |
| Engineering | 10 | 10 | 10 | 10 | 10 | 11 | 10 | 10 | 10 | 9 |
| Other | 71 | 72 | 73 | 74 | 73 | 70 | 70 | 67 | 64 | 63 |
| Parks and recreation | 25 | 25 | 25 | 27 | 28.5 | 28.75 | 28 | 28 | 26 | 24 |
| Water | 31.5 | 31 | 31 | 31 | 31 | 32 | 32.5 | 33 | 31 | 31.5 |
| Sewer | 35.5 | 35 | 35 | 35 | 35 | 36 | 36.5 | 37 | 35 | 35.5 |
| Total | 413 | 434.0 | 445.5 | 451.00 | 462.25 | 464.00 | 464.25 | 457.75 | 443.25 | 397.5 |

Source: City Finance Office.

Notes: A full-time employee is scheduled to work 2,088 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,088.

CITY OF WYOMING, MICHIGAN OPERATING INDICATORS BY FUNCTION/PROGRAM (UNAUDITED)

Last Ten Fiscal Years

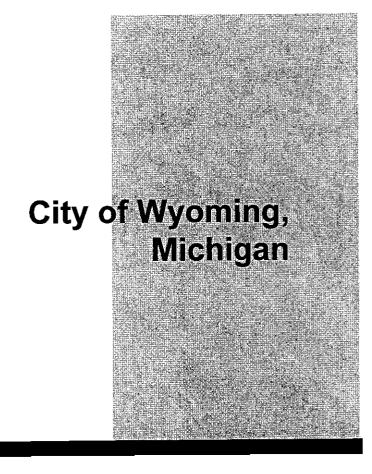
| | Fiscal Year | | | | | | | | | |
|--|-------------|--------|--------|--------|--------|--------|-------------|-------------|-------------|-------------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> |
| Function/Program | | | | | | | | | | |
| Seneral government | | | | | | | | 700 | 775 | |
| Building permits issued for all construction | 788 | 735 | 839 | 850 | 882 | 775 | 765 | 788 | 775 | 696 |
| Building inspections conducted | 2,745 | 2,559 | 2,723 | 3,244 | 2,814 | 3,439 | 3,222 | 3,313 | 3,357 | 3,21 |
| Police | | | | | | | | | 0.540 | 6 70 |
| Physical arrests | N/A | N/A | 11,470 | 10,795 | 11,115 | 10,962 | 10,796 | 9,940 | 8,549 | 8,72 |
| Parking violations | 1,477 | 1,218 | 2,102 | 1,955 | 2,424 | 2,491 | 2,522 | 3,155 | 2,244 | 2,278 |
| Traffic violations | 17,596 | 18,568 | 18,829 | 17,206 | 16,203 | 18,501 | 16,630 | 13,688 | 12,843 | 12,96 |
| Fire | | | | | | | | | | • • • • |
| Emergency responses | 2,897 | 2,893 | 3,166 | 3,422 | 3,401 | 3,396 | 3,441 | 3,139 | 3,305 | 3,219 |
| Fires extinguished | 1,096 | 1,231 | 1,204 | 1,365 | 1,260 | 1,269 | 1,179 | 1,516 | 1,574 | 1,63 |
| Inspections | N/A | N/A | N/A | N/A | N/A | N/A | 950 | 1,000 | 1,500 | 1,00 |
| Parks and recreation | | | | | | | | | | |
| Athletic field permits issued per hour | N/A | N/A | 5,169 | 5,572 | 10,218 | 7,123 | 11,948 | 16,140 | 10,302 | 9,59 |
| Water | | | | | | | | | | _ |
| Water main breaks | 70 | 44 | 61 | 69 | 64 | 63 | 70 | 84 | 56 | 6 |
| Average daily consumption | | | | | | | | | | |
| (thousands of gallons) | 35,100 | 33,400 | 34,600 | 30,200 | 30,300 | 32,600 | 36,400 | 32,500 | 34,400 | 36,30 |
| Peak daily consumption | | | | | | | | | • | |
| (thousands of gallons) | 73,600 | 79,600 | 81,900 | 64,500 | 69,100 | 84,400 | 83,500 | 84,100 | 78,600 | 83,10 |
| Sewer | | | | | | | | | | |
| Average daily sewage treatment | | | | | | | | | | |
| (thousands of gallons) | 16,090 | 16,290 | 15,620 | 16,810 | 17,590 | 17,530 | 16,370 | 16,100 | 16,630 | 16,50 |

Sources: Various City departments.

CITY OF WYOMING, MICHIGAN CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (UNAUDITED) Last Ten Fiscal Years

| | | _ | | | Fisca | al Year | | | | |
|---|-------------|-------------|--------|--------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Function/Program | <u>1997</u> | <u>1998</u> | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
| - 4.1.0aoi27 Togram | | | | | | | | | | |
| Police | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | |
| Patrol units | 27 | 31 | 31 | 31 | 31 | 31 | 33 | 31 | 1 28 | 1 28 |
| Fire stations | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Other public works | | | | | | | | | | • |
| Streets (miles) | 224.6 | 224.6 | 228.5 | 228.5 | 228.5 | 200 5 | | | | |
| Highways (miles) | | 224.0 | - | 220.5 | | 228.5 | 228.5 | 228.5 | 239.1 | 239.1 |
| Streetlights | 4,510 | 4,674 | 4,723 | 4,723 | 4,723 | 4 700 | - | | - | • |
| Traffic signals | 41 | 42 | 4,723 | 4,723 | 4,723 | 4,723 46 | 4,723 46 | 4,723 48 | 5,092 48 | 5,092 49 |
| Parks and recreation | | | | | | | | | | 10 |
| Acreage | 483 | 504 | 620.5 | 637 | 637 | 007 | 007 | | | |
| Playgrounds | 15 | 15 | 15 | 15 | 15 | 637 | 637 | 685 | 691 | 691 |
| Play structures | 23 | 23 | 24 | 26 | 26 | 15 27 | 15 27 | 16 | 16 | 17 |
| Atheletic fields | 45 | 45 | 45 | 45 | 45 | 45 | | 31 | 31 | 35 |
| Basketball/tennis courts | 38 | 38 | 39 | 39 | 39 | 40 | 46 | 46 | 46 | 46 |
| Community centers | 1 | 1 | 1 | 1 | 1 | 1 | 40 1 | 41 1 | 41 1 | 41 1 |
| Water | | | | | | | | | | |
| Fire hydrants | 3,273 | 3,273 | 3,273 | 3,273 | 2 272 | 0.070 | | | | |
| Storage capacity (thousands of gallons) | 59,000 | 59,000 | 59,000 | 59,000 | 3,273 59,000 | 3,273 59,000 | 3,292 59.000 | 3,302 59,000 | 3,302 59,000 | 3,338 59,000 |
| Sewer | | | | | | | • | , - | -1 | , |
| Treatment capacity (thousands of gallons) | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 | 19,000 |

Sources: Various City departments.



Additional Reports Required by OMB Circular A-133

Year Ended June 30, 2006

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards



99 Monroe Avenue NW, Suite 800 Grand Rapids, Michigan 49503-2654 Telephone: (616) 774-7000 Fax: (616) 776-3680

Independent Auditors' Report

Honorable Mayor and Members of the City Council City of Wyoming Wyoming, Michigan

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Wyoming, Michigan as of and for the year ended June 30, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 21, 2006. The Wyoming Housing Commission's financial statements were audited by other auditors whose report thereon was furnished to us. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Wyoming's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Wyoming's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements,

noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City of Wyoming in a separate letter dated November 21, 2006.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Grand Rapids, Michigan

BDO Seilman, LLP

November 21, 2006

Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133



99 Monroe Avenue NW, Suite 800 Grand Rapids, Michigan 49503-2654 Telephone: (616) 774-7000 Fax: (616) 776-3680

Independent Auditors' Report

Honorable Mayor and Members of the City Council City of Wyoming Wyoming, Michigan

Compliance

We have audited the compliance of the City of Wyoming, Michigan with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2006. The City of Wyoming's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City of Wyoming's management. Our responsibility is to express an opinion on the City of Wyoming's compliance based on our audit.

The City of Wyoming's basic financial statements include the operations of the Wyoming Housing Commission, which expended \$7,373,988 in federal awards, which is not included in the City's schedule of expenditures of federal awards for the year ended June 30, 2006. Our audit, described below, did not include the operations of the Wyoming Housing Commission because the component unit's audit in accordance with OMB Circular A-133 was performed separately and a separate report was issued.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Wyoming's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Wyoming's compliance with those requirements.

In our opinion, the City of Wyoming complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of the City of Wyoming is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Wyoming's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Wyoming as of and for the year ended June 30, 2006, and have issued our report thereon dated November 21, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Wyoming's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

Grand Rapids, Michigan

BDO Seidman, LLP

November 21, 2006

Schedule of Expenditures of Federal Awards

| Year ended June 30, 2006 | Federal CFDA Number | Program or Award Amount | Accrued (Deferred) Revenue at July 1, 2005 |
|---|---------------------------|----------------------------------|---|
| Federal Grantor/Pass-Through Grantor/Program/Project Number | | | |
| U.S. Department of Housing and Urban Development Community Development Block Grant B-03-MC-26-0020 B-04-MC-26-0020 B-05-MC-26-0020 | 14.218 | \$ 588,000 573,000 540,471 | \$ 116,874 23,668 |
| Total U.S. Department of Housing and Urban Development | - | | 140,542 |
| U.S. Department of Justice Passed through Michigan Department of Community Health: Edward Byrne Memorial Formula Grant Program 20051408 | 16.579 | 43,318 | 12,537 |
| Edward Byrne Memorial Justice Assistance Grant Program 20061735 | 16.738 | 46,403 | - |
| Total passed through Michigan Department of Community Health | | | 12,537 |
| Direct programs: Local Law Enforcement Block Grant 2003LBBX0018 2004LBBX0239 | 16.592 | 54,001 22,519 | (22,219) (22,519) |
| | | | (44,738) |
| Edward Byrne Memorial Justice Assistance Grant Program 2005DJBX0444 | 16.738 | 38,338 | |
| Bulletproof Vest Partnership Program 1121-0235 | 16.607 | 12,764 | |
| Total U.S. Department of Justice | | _ | (32,201) |

⁽¹⁾ Program income offsetting related current year expenditures.

Schedule of Expenditures of Federal Awards

| Adjustments | Current Year Receipts | Current Year Expenditures | Accrued (Deferred) Revenue at June 30, 2006 |
|--------------|--------------------------|------------------------------|--|
| | | | |
| | | | |
| \$ - | \$ 116,874 \$ | - | \$ - |
| (113,469) | 373,000 | 662,801 | - |
| (38,856) | 64,148 | 171 <u>,</u> 527 | 68,523 |
| (152,325) | 754,022 | 834,328 | 68,523 |
| _ | 25,108 | 12,571 | |
| | 17,563 | 38,096 | 20,533 |
| - | 42,671 | 50,667 | 20,533 |
| - | - | 22,219 15,255 | (7,264) |
| - | - | 37,474 | (7,264) |
| | 38,338 | | (38,338) |
| _ | _ | 401 | 401 |
| | 81,009 | 88,542 | (24,668) |

| Year ended June 30, 2006 | Federal CFDA Number | Program or Award Amount | Accru (Deferr Revenue July 1, 20 |
|---|---|-------------------------------|---|
| U.S. Department of Transportation | | | |
| Passed through Michigan State Police: | | | |
| State and Community Highway Safety | 20.600 | | |
| PT-05-21 | | \$ 244,949 | \$ 71,3 |
| PT-06-43 | | 169,994 | ,- |
| RS-05-03 | | 59,570 | |
| RS-06-01 | | 49,982 | |
| JJ-05-16 | | 13,976 | |
| Total U.S. Department of Transportation | _ | | 71,3 |
| U.S. Elections Assistance Commission | | | |
| Passed through Michigan Department of State: | | | |
| Help America Vote Act Requirements Payments | 90.401 | 8,780 | |
| U.S. Department of Health and Human Services | | | - |
| Passed through Area Agency on Aging of Western Michigan: | | | |
| Title III B (Congregate) | 93.044 | | |
| Go Bus - 04/05 | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | 12,043 | 9 |
| Go Bus - 05/06 | | 12,043 | |
| Total passed through Area Agency on Aging of Western Michigan | | | 9 |
| Passed through Michigan Department of State: | | <u> </u> | |
| Voting Access for Individuals With Disabilities | 93.617 | 4,310 | |
| Total U.S. Department of Health and Human Services | | | 9 |
| U.S. Department of Homeland Security | | | |
| Assistance to Firefighters Grant | 97.004 | | |
| EMW-2004-FG-06138 | | 35,182 | |
| Total Federal Financial Assistance | | | \$ 180,7 |

Schedule of Expenditures of Federal Awards

| A | Adjustments | C | Current Year Receipts | | Current Year Expenditures | Accrued (Deferred) Revenue at June 30, 2006 |
|----|-------------|----|-----------------------------|----|------------------------------------|---|
| \$ | - - - | \$ | 141,329 33,189 45,680 | \$ | 69,954 145,116 45,680 592 | \$ 111,927 592 |
| | | | 12,135_ | _ | 12,135 | . |
| | | | 232,333 | | 273,477 | 112,519 |
| | - - | | 8,711 | | 8,711 | <u>-</u> |
| | | | 992 | | | _ |
| | - | | 11,452 | | 12,043 | 591 |
| | _ | | 12,444 | | 12,043 | 591 |
| | | | 2,870 | | 2,870 | <u>-</u> |
| | | | 15,314 | | 14,913 | 591 |
| | _ | | 22,644 | | 22,644 | - |
| \$ | (152,325) | \$ | 1,114,033 | \$ | 1,242,615 | \$ 156,965 |

Note to Schedule of Expenditures of Federal Awards

Note to Schedule of Expenditures of Federal Awards

1. General

Expenditures are recorded under the modified accrual method of accounting. Revenues are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs Year Ended June 30, 2006

Summary of Auditors' Results

The auditors' report expresses an unqualified opinion on the basic financial statements of the City of Wyoming.

The audit did not disclose any noncompliance which is material to the basic financial statements of the City of Wyoming.

The auditors' report on compliance for major programs of the City of Wyoming expresses an unqualified opinion.

The audit did not disclose any findings relative to major programs that are required to be reported herein in accordance with OMB Circular A-133.

The City had one major program: Community Development Block Grant, CFDA No. 14.218.

The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.

The City of Wyoming qualified as a low-risk auditee.

Findings Related to the Financial Statements

There were no findings which are required to be reported under Government Auditing Standards.

Findings and Questioned Costs for Federal Awards

There were no findings or questioned costs.